



*Our Mission is to Provide Quality Public Services in a Fiscally Responsible Manner While Preserving the City's Open Space Character*

**NOTICE OF MEETING**  
**City Council Meeting**  
**Tuesday, December 5, 2017 7:00 P.M.**  
**City of Lake Elmo | 3800 Laverne Avenue North**

**AGENDA**

**A. Call to Order/Pledge of Allegiance**

**B. Approval of Agenda**

**C. Approval of Minutes**

1. November 21, 2017

**D. Public Comments/Inquires**

**E. Presentations**

**F. Consent Agenda**

2. Approve Payment of Disbursements and Payroll
3. Approve Liquor License Renewal – Elmo Liquor
4. Adopt *Resolution 2017-132* Declaring Polling Locations for 2018
5. Approve Holding Local Board of Appeals - *Resolution 2017-133*
6. Approve 2018 Contract with Animal Humane Society
7. Wildflower 1<sup>st</sup> Addition – Accept Improvements and Approve Reduction of Security #5 and Wildflower 2<sup>nd</sup> Addition Approve Reduction of Security #1
8. Approve Personnel & FMLA Policies
9. Approve Compensation Policy
10. Approve Environmental Awards Program
11. Accept Paid on Call Firefighter Resignation
12. Accept Planning Director Resignation

**G. Regular Agenda**

13. 2018 Street and Drainage Improvements-Public Hearing, Order Plans & Specifications-*Resolution 2017-134*
14. Continental Properties Comprehensive Plan Amendment and Concept Plan
15. Public Hearing for 2018 General Fund Budget and 2018 Final Property Levy Certification - *Resolution 2017-135*
16. 2018 Utility Budgets – *Resolution 2017-136*
17. 2018 Fee Schedule – *Ordinance 08-191; Resolution 2017-137*
18. Comprehensive Plan Amendment and Zoning Text Amendment to Amend Language Regarding Allowable Density for Open Space Preservation Developments – *Resolution 2017-123; 2017-124*
19. Hidden Meadows 2nd Addition Development Agreement – *Resolution 2017-138*

**H. Council Reports**

**I. Staff Reports and Announcements**

**J. Adjourn**

**CITY OF LAKE ELMO  
CITY COUNCIL MINUTES  
NOVEMBER 21, 2017**

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

*Mayor Pearson called the meeting to order at 7:00 pm.*

**PRESENT:** Mayor Mike Pearson and Councilmembers Julie Fliflet, Jill Lundgren and Christine Nelson. **ABSENT:** Councilmember Bloyer.

Staff present: Administrator Handt, City Attorney Sonsalla, City Engineer Griffin, Planning Director Becker, Assistant Administrator Foster, Finance Director Swanson and City Clerk Johnson.

**APPROVAL OF AGENDA**

*Councilmember Lundgren, seconded by Councilmember Fliflet, moved TO APPROVE THE AGENDA AS PRESENTED. Motion passed 4 – 0.*

**ACCEPT MINUTES**

Minutes of the October 17, 2017 and November 7, 2017 Regular Meetings were accepted as presented.

**PUBLIC COMMENTS/INQUIRIES**

None

**PRESENTATIONS**

None

**CONSENT AGENDA**

2. Approve Payment of Disbursements
3. Accept October 2017 Assessor's Report
4. Accept October 2017 Building Department Report
5. Accept October 2017 Fire Department Report
6. Accept October 2017 Public Works Department Report
7. I-94 Lift Station and Sanitary Sewer Improvements – Approve Pay Request No. 1
8. Old Village Phase 3 Street & Utility Improvements – Approve Pay Request No. 5
9. 2017 Street Improvements – Approve Pay Request No. 5
10. Accept Resignation of Building Inspector
11. Approve Appointment to Finance Committee
12. Approve 2018 Liquor License Renewals
13. Approve Lake Elmo Sod Farm Interim Use Permit

*Councilmember Nelson, seconded by Mayor Pearson, moved TO APPROVE THE CONSENT AGENDA AS PRESENTED. Motion passed 4 - 0.*

**ITEM 14: 2018 LMCIT Renewal**

Assistant Administrator Foster reviewed options for a change in the deductible for the City's property and liability insurance coverage and waiver of the statutory municipal tort limits.

*Councilmember Nelson, seconded by Mayor Pearson, moved TO APPROVE THE DEDUCTIBLE INCREASE TO \$1,000 FOR THE CITY'S PROPERTY AND LIABILITY INSURANCE AND AUTHORIZE THE ELECTION TO NOT WAIVE THE STATUTORY TORT LIMITS. Motion passed 4 – 0.*

**ITEM 15: Wyndham Village Subdivision Sketch Plan Review & Comprehensive Plan Amendment**

Planning Director Becker reviewed the proposal for a residential subdivision and presented recommended conditions of approval and Planning Commission recommendations. Applicant Joe Bush presented a revised sketch plan and discussed landscaping plans.

*Mayor Pearson, seconded by Councilmember Nelson, moved TO RECOMMEND APPROVAL OF THE PROPOSED COMPREHENSIVE PLAN AMENDMENT TO RE-GUIDE PID 13.029.21.43.0001 FROM RURAL SINGLE FAMILY TO VILLAGE URBAN LOW DENSITY, BASED ON THE RECOMMENDED FINDINGS AND CONDITIONS OF APPROVAL.*

Applicant Joe Bush requested that the Council table this item to allow additional time to work with staff and agreed to grant additional time under the 60 day rule.

*Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO TABLE THIS ITEM TO THE SECOND MEETING IN JANUARY AT THE APPLICANT'S REQUEST. Motion passed 4 – 0.*

**ITEM 16: Debt Management Policy**

Finance Director Swanson presented the proposed Debt Management Policy, noting additions and changes from the previous policy.

*Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO APPROVE THE ATTACHED CITY OF LAKE ELMO DEBT MANAGEMENT POLICY REVISED NOVEMBER 21, 2017 WITH A CHANGE REPLACING "ONLY" WITH "GENERALLY" IN SECTION D.a. AND ADDING "FINANCE DIRECTOR OR APPOINTED DESIGNEE" WHERE APPROPRIATE. Motion passed 4 – 0.*

**ITEM 17: Fund Balance Policy**

Finance Director Swanson presented an overview of the proposed Fund Balance Policy. Brief discussion was held; Councilmember Fliflet stated she did not agree with the enterprise fund restrictions.

**LAKE ELMO CITY COUNCIL MINUTES  
NOVEMBER 21, 2017**

***Councilmember Lundgren, seconded by Councilmember Nelson, moved TO APPROVE THE ATTACHED CITY OF LAKE ELMO FUND BALANCE/NET POSITION POLICY REVISED NOVEMBER 21, 2017. Motion passed 3 – 1. (Fliflet – nay)***

**COUNCIL REPORTS**

**Mayor Pearson:** Attended the Parks Commission meeting, discussed the Lake Elmo Elementary School playground with a resident.

**Councilmember Nelson:** Attended a Sally Manzara Nature Center strategic planning session.

**Councilmember Lundgren:** Received calls from residents.

**Councilmember Fliflet:** Announced best new neighborhood award received by the Wildflower development.

**STAFF REPORTS AND ANNOUNCEMENTS**

**Administrator Handt:** Working with Lake Elmo Baseball and the Lions Park contractor, reminded Council of the Special Meeting at 6:00 on November 28<sup>th</sup> for interviewing Landscape Architect and Engineering firms.

**City Attorney Sonsalla:** Working on Lake Elmo Inn special assessment appeal.

**Finance Director Swanson:** Reported that the Truth in Taxation hearing will be held during the December 5<sup>th</sup> City Council Meeting.

**City Engineer Griffin:** Working on current construction projects.

Meeting adjourned at 8:42 pm.

**LAKE ELMO CITY COUNCIL**

ATTEST:

\_\_\_\_\_  
Mike Pearson, Mayor

\_\_\_\_\_  
Julie Johnson, City Clerk



**STAFF REPORT**

DATE: December 5, 2017  
CONSENT

**TO:** Mayor and City Council  
**FROM:** Amy La Belle, Accountant  
**AGENDA ITEM:** Approve Disbursements  
**REVIEWED BY:** Kristina Handt, City Administrator

**BACKGROUND INFORMATION/STAFF REPORT:**

The City of Lake Elmo has the fiduciary responsibility to conduct normal business operations. Below is a summary of current claims to be disbursed and paid in accordance with State law and City policies and procedures.

**FISCAL IMPACT:**

| <b>Claim #</b> | <b>Amount</b>        | <b>Description</b>                |
|----------------|----------------------|-----------------------------------|
| ACH            | \$ 65,174.51         | Payroll 11/22/17                  |
| 46743-46786    | \$ 237,745.76        | Accounts Payable                  |
| 2872-2876      | \$ 2,668.49          | Accounts Payable (Library Checks) |
| <b>TOTAL</b>   | <b>\$ 305,588.76</b> |                                   |

**RECOMMENDATION:**

If removed from the consent agenda, the recommended motion is as follows:

*“Motion to approve the aforementioned disbursements in the amount of \$305,588.76.”*

**ATTACHMENTS:**

1. Accounts Payable – check register

K. Hunt

# Accounts Payable To Be Paid Proof List

User: Amy  
Printed: 11/29/2017 - 9:50 AM  
Batch: 005-12-2017

| Invoice #                             | Inv Date                       | Amount | Quantity | Pmt Date   | Description                  | Reference | Task | Type | PO # | Close POLine # |
|---------------------------------------|--------------------------------|--------|----------|------------|------------------------------|-----------|------|------|------|----------------|
| Alex Air Apparatus, Inc               |                                |        |          |            |                              |           |      |      |      |                |
| ALEXAIR                               |                                |        |          |            |                              |           |      |      |      |                |
| 34607                                 | 11/15/2017                     | 96.55  | 0.00     | 12/05/2017 | Repairs to SCBA's            |           | -    |      | No   | 0000           |
| 101-420-2220-44040                    | Repairs/Maint Eqpt             |        |          |            |                              |           |      |      |      |                |
|                                       | 34607 Total:                   | 96.55  |          |            |                              |           |      |      |      |                |
|                                       | ALEXAIR Total:                 | 96.55  |          |            |                              |           |      |      |      |                |
| Alex Air Apparatus, Inc Total:        |                                | 96.55  |          |            |                              |           |      |      |      |                |
| Amazon Inc                            |                                |        |          |            |                              |           |      |      |      |                |
| AMAZONIN                              |                                |        |          |            |                              |           |      |      |      |                |
| 20171110                              | 11/10/2017                     | 337.17 | 0.00     | 12/05/2017 | Operating & Program Supplies |           | -    |      | No   | 0000           |
| 206-450-5300-42500                    | Library Collection Maintenance |        |          |            |                              |           |      |      |      |                |
|                                       | 20171110 Total:                | 337.17 |          |            |                              |           |      |      |      |                |
|                                       | AMAZONIN Total:                | 337.17 |          |            |                              |           |      |      |      |                |
| Amazon Inc Total:                     |                                | 337.17 |          |            |                              |           |      |      |      |                |
| American Legal Publishing Corp        |                                |        |          |            |                              |           |      |      |      |                |
| AMLEGAL                               |                                |        |          |            |                              |           |      |      |      |                |
| 118439                                | 09/30/2017                     | 316.10 | 0.00     | 12/05/2017 | Ordinance update             |           | -    |      | No   | 0000           |
| 101-410-1320-43510                    | Legal Publishing               |        |          |            |                              |           |      |      |      |                |
|                                       | 118439 Total:                  | 316.10 |          |            |                              |           |      |      |      |                |
|                                       | AMLEGAL Total:                 | 316.10 |          |            |                              |           |      |      |      |                |
| American Legal Publishing Corp Total: |                                | 316.10 |          |            |                              |           |      |      |      |                |

| Invoice #          | Inv Date                   | Amount    | Quantity | Pmt Date   | Description                            | Reference | Task | Type | PO # | Close POLine # |
|--------------------|----------------------------|-----------|----------|------------|--|-----------|------|------|------|----------------|
| Bolton & Menk, Inc |                            |           |          |            |  |           |      |      |      |                |
| BOLTONME           |                            |           |          |            |  |           |      |      |      |                |
| 0210346            | 11/14/2017                 | 7,400.00  | 0.00     | 12/05/2017 | Easton Village 3rd                     |           | -    |      | No   | 0000           |
| 803-000-0000-22910 | Developer Payments         |           |          |            |  |           |      |      |      |                |
|                    | 0210346 Total:             | 7,400.00  |          |            |  |           |      |      |      |                |
| 0210347            | 11/14/2017                 | 465.00    | 0.00     | 12/05/2017 | 9242 Hudson Blvd 2016.141              |           | -    |      | No   | 0000           |
| 803-000-0000-22910 | Developer Payments         |           |          |            |  |           |      |      |      |                |
|                    | 0210347 Total:             | 465.00    |          |            |  |           |      |      |      |                |
| 0210348            | 11/14/2017                 | 11,974.00 | 0.00     | 12/05/2017 | I-94 Lift Station Project 2016.134     |           | -    |      | No   | 0000           |
| 602-495-9450-43150 | Contract Services          |           |          |            |  |           |      |      |      |                |
|                    | 0210348 Total:             | 11,974.00 |          |            |  |           |      |      |      |                |
| 0210349            | 11/14/2017                 | 817.50    | 0.00     | 12/05/2017 | Royal Golf Club                        |           | -    |      | No   | 0000           |
| 803-000-0000-22910 | Developer Payments         |           |          |            |  |           |      |      |      |                |
|                    | 0210349 Total:             | 817.50    |          |            |  |           |      |      |      |                |
| 0210350            | 11/14/2017                 | 16,950.00 | 0.00     | 12/05/2017 | Southwind of Lake Elmo                 |           | -    |      | No   | 0000           |
| 803-000-0000-22910 | Developer Payments         |           |          |            |  |           |      |      |      |                |
|                    | 0210350 Total:             | 16,950.00 |          |            |  |           |      |      |      |                |
|                    | BOLTONME Total:            | 37,606.50 |          |            |  |           |      |      |      |                |
|                    | <hr/>                      |           |          |            |  |           |      |      |      |                |
|                    | Bolton & Menk, Inc Total:  | 37,606.50 |          |            |  |           |      |      |      |                |
|                    | <hr/>                      |           |          |            |  |           |      |      |      |                |
| Cardmember Service |                            |           |          |            |  |           |      |      |      |                |
| CARDMEMB           |                            |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 386.67    | 0.00     | 12/05/2017 | Holiday Inn MSFCA Conf 101817          |           | -    |      | No   | 0000           |
| 101-420-2220-44370 | Conferences & Training     |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 362.67    | 0.00     | 12/05/2017 | Holiday Inn MSFCA Conf 101817          |           | -    |      | No   | 0000           |
| 101-420-2220-44370 | Conferences & Training     |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 64.26     | 0.00     | 12/05/2017 | Holiday Station - Car Wash             |           | -    |      | No   | 0000           |
| 101-420-2220-44300 | Miscellaneous              |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 30.50     | 0.00     | 12/05/2017 | Roberts Company - years of svcs pins   |           | -    |      | No   | 0000           |
| 101-420-2220-44170 | Uniforms                   |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 99.00     | 0.00     | 12/05/2017 | Amazon Prime Membership                |           | -    |      | No   | 0000           |
| 206-450-5300-42185 | Software                   |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 61.86     | 0.00     | 12/05/2017 | Office 365 MSFT Subscription           |           | -    |      | No   | 0000           |
| 206-450-5300-42185 | Software                   |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 0.98      | 0.00     | 12/05/2017 | MN DVS - Credit Card Convience Fee     |           | -    |      | No   | 0000           |
| 101-420-2400-44300 | Miscellaneous              |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 40.00     | 0.00     | 12/05/2017 | MN DVS - Tabs VIN 7340 & 9022          |           | -    |      | No   | 0000           |
| 101-420-2400-44300 | Miscellaneous              |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 50.00     | 0.00     | 12/05/2017 | Constant Contact - weekly email letter |           | -    |      | No   | 0000           |
| 101-410-1450-43180 | Information Technology/Web |           |          |            |  |           |      |      |      |                |
| 20171120           | 11/20/2017                 | 148.75    | 0.00     | 12/05/2017 | JC Penny - Blue Jeans                  |           | -    |      | No   | 0000           |
| 101-420-2400-44170 | Uniforms                   |           |          |            |  |           |      |      |      |                |

| Invoice #               | Inv Date                      | Amount   | Quantity | Pmt Date   | Description                    | Reference | Task | Type | PO # | Close PO Line # |
|-------------------------|-------------------------------|----------|----------|------------|--------------------------------|-----------|------|------|------|-----------------|
| 20171120                | 11/20/2017                    | 152.95   | 0.00     | 12/05/2017 | Arborwear - Hooded Sweatshirts |           | -    |      |      | No 0000         |
| 101-420-2400-44170      | Uniforms                      |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 25.98    | 0.00     | 12/05/2017 | Mills Fleet Farm - pvc boot    |           | -    |      |      | No 0000         |
| 101-430-3100-44375      | Personal Protection Equipment |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 10.99    | 0.00     | 12/05/2017 | Amazon Prime Membership        |           | -    |      |      | No 0000         |
| 101-430-3100-44330      | Dues & Subscriptions          |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 150.00   | 0.00     | 12/05/2017 | Asset Mgmt Software            |           | -    |      |      | No 0000         |
| 101-430-3100-43150      | Contract Services             |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 321.11   | 0.00     | 12/05/2017 | Truck-N-Tow - tire cables      |           | -    |      |      | No 0000         |
| 101-430-3120-42210      | Equipment Parts               |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 196.00   | 0.00     | 12/05/2017 | AWWA.org - membership          |           | -    |      |      | No 0000         |
| 601-494-9400-44330      | Dues & Subscriptions          |          |          |            |                                |           |      |      |      |                 |
| 20171120                | 11/20/2017                    | 684.88   | 0.00     | 12/05/2017 | AW Direct - work light         |           | -    |      |      | No 0000         |
| 101-430-3120-42210      | Equipment Parts               |          |          |            |                                |           |      |      |      |                 |
|                         | 20171120 Total:               | 2,786.60 |          |            |                                |           |      |      |      |                 |
|                         | CARDMEMB Total:               | 2,786.60 |          |            |                                |           |      |      |      |                 |
|                         | Cardmember Service Total:     | 2,786.60 |          |            |                                |           |      |      |      |                 |
| Central Pension Fund    |                               |          |          |            |                                |           |      |      |      |                 |
| CENTRALP                |                               |          |          |            |                                |           |      |      |      |                 |
| 20171122                | 11/22/2017                    | 420.00   | 0.00     | 12/05/2017 | CPF Contributions - 112217     |           | -    |      |      | No 0000         |
| 101-000-0000-21714      | Union Pension                 |          |          |            |                                |           |      |      |      |                 |
|                         | 20171122 Total:               | 420.00   |          |            |                                |           |      |      |      |                 |
|                         | CENTRALP Total:               | 420.00   |          |            |                                |           |      |      |      |                 |
|                         | Central Pension Fund Total:   | 420.00   |          |            |                                |           |      |      |      |                 |
| Cintas Corporation #754 |                               |          |          |            |                                |           |      |      |      |                 |
| CINTAS                  |                               |          |          |            |                                |           |      |      |      |                 |
| 754771291               | 09/12/2017                    | 85.46    | 0.00     | 12/05/2017 | Rugs & Restroom products       |           | -    |      |      | No 0000         |
| 206-450-5300-44010      | Repairs/Maint Bldg            |          |          |            |                                |           |      |      |      |                 |
|                         | 754771291 Total:              | 85.46    |          |            |                                |           |      |      |      |                 |
| 754776335               | 09/26/2017                    | 85.46    | 0.00     | 12/05/2017 | Rugs & Restroom products       |           | -    |      |      | No 0000         |
| 206-450-5300-44010      | Repairs/Maint Bldg            |          |          |            |                                |           |      |      |      |                 |
|                         | 754776335 Total:              | 85.46    |          |            |                                |           |      |      |      |                 |
| 754781529               | 10/10/2017                    | 85.46    | 0.00     | 12/05/2017 | Rugs & Restroom products       |           | -    |      |      | No 0000         |
| 206-450-5300-44010      | Repairs/Maint Bldg            |          |          |            |                                |           |      |      |      |                 |
|                         | 754781529 Total:              | 85.46    |          |            |                                |           |      |      |      |                 |
| 754786648               | 10/24/2017                    | 36.65    | 0.00     | 12/05/2017 | Rugs & Restroom products       |           | -    |      |      | No 0000         |
| 206-450-5300-44010      | Repairs/Maint Bldg            |          |          |            |                                |           |      |      |      |                 |
|                         | 754786648 Total:              | 36.65    |          |            |                                |           |      |      |      |                 |

| Invoice #          | Inv Date                       | Amount    | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|--------------------|--------------------------------|-----------|----------|------------|--|-----------|------|------|------|----------------|
| 754792024          | 11/07/2017                     | 106.68    | 0.00     | 12/05/2017 | Cleaning & Maint Supplies                |           | -    |      |      | No 0000        |
| 101-410-1940-44010 | Repairs/Maint Contractual Bldg |           |          |            |  |           |      |      |      |                |
|                    | 754792024 Total:               | 106.68    |          |            |  |           |      |      |      |                |
| 754795110          | 11/15/2017                     | 103.50    | 0.00     | 12/05/2017 | Uniforms                                 |           | -    |      |      | No 0000        |
| 101-430-3100-44170 | Uniforms                       |           |          |            |  |           |      |      |      |                |
|                    | 754795110 Total:               | 103.50    |          |            |  |           |      |      |      |                |
| 754797321          | 11/21/2017                     | 76.18     | 0.00     | 12/05/2017 | Cleaning & Maint Supplies                |           | -    |      |      | No 0000        |
| 101-410-1940-44010 | Repairs/Maint Contractual Bldg |           |          |            |  |           |      |      |      |                |
|                    | 754797321 Total:               | 76.18     |          |            |  |           |      |      |      |                |
| 754797738          | 11/22/2017                     | 102.57    | 0.00     | 12/05/2017 | Uniforms                                 |           | -    |      |      | No 0000        |
| 101-430-3100-44170 | Uniforms                       |           |          |            |  |           |      |      |      |                |
|                    | 754797738 Total:               | 102.57    |          |            |  |           |      |      |      |                |
|                    | CINTAS Total:                  | 681.96    |          |            |  |           |      |      |      |                |
|                    | <hr/>                          |           |          |            |  |           |      |      |      |                |
|                    | Cintas Corporation #754 Total: | 681.96    |          |            |  |           |      |      |      |                |
|                    | <hr/>                          |           |          |            |  |           |      |      |      |                |
| City of Oakdale    |                                |           |          |            |  |           |      |      |      |                |
| CTYOAKDA           |                                |           |          |            |  |           |      |      |      |                |
| 20170930           | 11/27/2017                     | 6,500.00  | 0.00     | 12/05/2017 | New Connections - Water - July 2017      |           | -    |      |      | No 0000        |
| 601-000-0000-37150 | Water Connection Fee - LE      |           |          |            |  |           |      |      |      |                |
| 20170930           | 11/27/2017                     | 13,500.00 | 0.00     | 12/05/2017 | New Connections - Water - August 2017    |           | -    |      |      | No 0000        |
| 601-000-0000-37150 | Water Connection Fee - LE      |           |          |            |  |           |      |      |      |                |
| 20170930           | 11/27/2017                     | 16,500.00 | 0.00     | 12/05/2017 | New Connections - Water - September 2017 |           | -    |      |      | No 0000        |
| 601-000-0000-37150 | Water Connection Fee - LE      |           |          |            |  |           |      |      |      |                |
|                    | 20170930 Total:                | 36,500.00 |          |            |  |           |      |      |      |                |
|                    | CTYOAKDA Total:                | 36,500.00 |          |            |  |           |      |      |      |                |
|                    | <hr/>                          |           |          |            |  |           |      |      |      |                |
|                    | City of Oakdale Total:         | 36,500.00 |          |            |  |           |      |      |      |                |
|                    | <hr/>                          |           |          |            |  |           |      |      |      |                |
| City of Roseville  |                                |           |          |            |  |           |      |      |      |                |
| CTYROSEV           |                                |           |          |            |  |           |      |      |      |                |
| 223674             | 10/13/2017                     | 300.00    | 0.00     | 12/05/2017 | Yearly fee for remote access K. Handt    |           | -    |      |      | No 0000        |
| 101-410-1320-43180 | Information Technology/Web     |           |          |            |  |           |      |      |      |                |
| 223674             | 10/13/2017                     | 300.00    | 0.00     | 12/05/2017 | Yearly fee for remote access J. Sachs    |           | -    |      |      | No 0000        |
| 601-494-9400-43180 | Software Support               |           |          |            |  |           |      |      |      |                |
| 223674             | 10/13/2017                     | 300.00    | 0.00     | 12/05/2017 | Yearly fee for remote access R. Weldon   |           | -    |      |      | No 0000        |
| 101-430-3100-43180 | Information Technology/Web     |           |          |            |  |           |      |      |      |                |
|                    | 223674 Total:                  | 900.00    |          |            |  |           |      |      |      |                |
| 223837             | 11/22/2017                     | 5,228.33  | 0.00     | 12/05/2017 | Monthly IT Service - November 2017       |           | -    |      |      | No 0000        |
| 101-410-1450-43180 | Information Technology/Web     |           |          |            |  |           |      |      |      |                |
|                    | 223837 Total:                  | 5,228.33  |          |            |  |           |      |      |      |                |

| Invoice #                    | Inv Date                            | Amount   | Quantity | Pmt Date   | Description                               | Reference | Task | Type | PO # | Close PO Line # |
|------------------------------|-------------------------------------|----------|----------|------------|---|-----------|------|------|------|-----------------|
| 223868                       | 11/22/2017                          | 112.47   | 0.00     | 12/05/2017 | Monthly IT Service - Admin Nov 2017       |           | -    |      |      | No 0000         |
| 101-410-1320-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
| 223868                       | 11/22/2017                          | 23.66    | 0.00     | 12/05/2017 | Monthly IT Service - Bldg Nov 2017        |           | -    |      |      | No 0000         |
| 101-420-2400-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
| 223868                       | 11/22/2017                          | 234.87   | 0.00     | 12/05/2017 | Monthly IT Service - PW Nov 2017          |           | -    |      |      | No 0000         |
| 101-430-3100-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
| 223868                       | 11/22/2017                          | 35.55    | 0.00     | 12/05/2017 | Monthly IT Service - Finance Nov 2017     |           | -    |      |      | No 0000         |
| 101-410-1520-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
| 223868                       | 11/22/2017                          | 49.30    | 0.00     | 12/05/2017 | Monthly IT Service - Planning Nov 2017    |           | -    |      |      | No 0000         |
| 101-410-1520-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
| 223868                       | 11/22/2017                          | 17.77    | 0.00     | 12/05/2017 | Monthly IT Service - Engineering Nov 2017 |           | -    |      |      | No 0000         |
| 101-410-1930-43210           | Telephone                           |          |          |            |   |           |      |      |      |                 |
|                              | 223868 Total:                       | 473.62   |          |            |   |           |      |      |      |                 |
|                              | CTYROSEV Total:                     | 6,601.95 |          |            |   |           |      |      |      |                 |
|                              | City of Roseville Total:            | 6,601.95 |          |            |   |           |      |      |      |                 |
| Coldwell Banker Commercial   |                                     |          |          |            |   |           |      |      |      |                 |
| COLDWELL                     |                                     |          |          |            |   |           |      |      |      |                 |
| 41974                        | 09/18/2017                          | 302.71   | 0.00     | 12/05/2017 | Maintenance & Service Call                |           | -    |      |      | No 0000         |
| 206-450-5300-44010           | Repairs/Maint Bldg                  |          |          |            |   |           |      |      |      |                 |
|                              | 41974 Total:                        | 302.71   |          |            |   |           |      |      |      |                 |
|                              | COLDWELL Total:                     | 302.71   |          |            |   |           |      |      |      |                 |
|                              | Coldwell Banker Commercial Total:   | 302.71   |          |            |   |           |      |      |      |                 |
| Coordinated Business Systems |                                     |          |          |            |   |           |      |      |      |                 |
| COORDIN                      |                                     |          |          |            |   |           |      |      |      |                 |
| CNIN255121                   | 09/28/2017                          | 746.79   | 0.00     | 12/05/2017 | Library IT Support 092117-102017          |           | -    |      |      | No 0000         |
| 206-450-5300-43180           | Information Technology              |          |          |            |   |           |      |      |      |                 |
|                              | CNIN255121 Total:                   | 746.79   |          |            |   |           |      |      |      |                 |
| CNIN258285                   | 10/31/2017                          | 746.79   | 0.00     | 12/05/2017 | Library IT Support 102117-112017          |           | -    |      |      | No 0000         |
| 206-450-5300-43180           | Information Technology              |          |          |            |   |           |      |      |      |                 |
|                              | CNIN258285 Total:                   | 746.79   |          |            |   |           |      |      |      |                 |
|                              | COORDIN Total:                      | 1,493.58 |          |            |   |           |      |      |      |                 |
|                              | Coordinated Business Systems Total: | 1,493.58 |          |            |   |           |      |      |      |                 |

| Invoice #                      | Inv Date                         | Amount    | Quantity | Pmt Date   | Description                     | Reference | Task | Type | PO # | Close PO Line # |
|--------------------------------|----------------------------------|-----------|----------|------------|---------------------------------|-----------|------|------|------|-----------------|
| Core & Main LP                 |                                  |           |          |            |                                 |           |      |      |      |                 |
| CORE                           |                                  |           |          |            |                                 |           |      |      |      |                 |
| 1075585                        | 11/07/2017                       | 697.36    | 0.00     | 12/05/2017 | 1 1/2 meter/radio and couplings |           | -    |      |      | No 0000         |
| 601-494-9400-42300             | Water Meters & Supplies          |           |          |            |                                 |           |      |      |      |                 |
|                                | 1075585 Total:                   | 697.36    |          |            |                                 |           |      |      |      |                 |
|                                | CORE Total:                      | 697.36    |          |            |                                 |           |      |      |      |                 |
|                                | Core & Main LP Total:            | 697.36    |          |            |                                 |           |      |      |      |                 |
| Cornell Mike                   |                                  |           |          |            |                                 |           |      |      |      |                 |
| CORNELL                        |                                  |           |          |            |                                 |           |      |      |      |                 |
| 20171113                       | 11/13/2017                       | 1,507.09  | 0.00     | 12/05/2017 | Reimbursement - VCOS Conference |           | -    |      |      | No 0000         |
| 101-420-2220-44370             | Conferences & Training           |           |          |            |                                 |           |      |      |      |                 |
|                                | 20171113 Total:                  | 1,507.09  |          |            |                                 |           |      |      |      |                 |
|                                | CORNELL Total:                   | 1,507.09  |          |            |                                 |           |      |      |      |                 |
|                                | Cornell Mike Total:              | 1,507.09  |          |            |                                 |           |      |      |      |                 |
| Delta Dental Of Minnesota      |                                  |           |          |            |                                 |           |      |      |      |                 |
| DELTA                          |                                  |           |          |            |                                 |           |      |      |      |                 |
| 39530213                       | 11/20/2017                       | 1,668.45  | 0.00     | 12/05/2017 | December 2017 Premium           |           | -    |      |      | No 0000         |
| 101-000-0000-21706             | Medical Insurance                |           |          |            |                                 |           |      |      |      |                 |
|                                | 39530213 Total:                  | 1,668.45  |          |            |                                 |           |      |      |      |                 |
|                                | DELTA Total:                     | 1,668.45  |          |            |                                 |           |      |      |      |                 |
|                                | Delta Dental Of Minnesota Total: | 1,668.45  |          |            |                                 |           |      |      |      |                 |
| Friends of LE Sunfish Lake Prk |                                  |           |          |            |                                 |           |      |      |      |                 |
| FROFSUNF                       |                                  |           |          |            |                                 |           |      |      |      |                 |
| 20171121                       | 11/21/2017                       | 3,860.00  | 0.00     | 12/05/2017 | Siding & J-Channel              |           | -    |      |      | No 0000         |
| 803-000-0000-22920             | Interpretive Nature Center       |           |          |            |                                 |           |      |      |      |                 |
| 20171121                       | 11/21/2017                       | 2,800.00  | 0.00     | 12/05/2017 | Sewage Basket & Pump            |           | -    |      |      | No 0000         |
| 803-000-0000-22920             | Interpretive Nature Center       |           |          |            |                                 |           |      |      |      |                 |
| 20171121                       | 11/21/2017                       | 4,711.57  | 0.00     | 12/05/2017 | Windows, Gravel, Dyed Diesel    |           | -    |      |      | No 0000         |
| 803-000-0000-22920             | Interpretive Nature Center       |           |          |            |                                 |           |      |      |      |                 |
| 20171121                       | 11/21/2017                       | 1,562.55  | 0.00     | 12/05/2017 | Menards - Materials & Supplies  |           | -    |      |      | No 0000         |
| 803-000-0000-22920             | Interpretive Nature Center       |           |          |            |                                 |           |      |      |      |                 |
| 20171121                       | 11/21/2017                       | 311.79    | 0.00     | 12/05/2017 | Menards - Materials & Supplies  |           | -    |      |      | No 0000         |
| 803-000-0000-22920             | Interpretive Nature Center       |           |          |            |                                 |           |      |      |      |                 |
|                                | 20171121 Total:                  | 13,245.91 |          |            |                                 |           |      |      |      |                 |

| Invoice #                             | Inv Date                       | Amount    | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|---------------------------------------|--------------------------------|-----------|----------|------------|--|-----------|------|------|------|----------------|
| FROFSUNF Total:                       |                                | 13,245.91 |          |            |  |           |      |      |      |                |
| Friends of LE Sunfish Lake Prk Total: |                                | 13,245.91 |          |            |  |           |      |      |      |                |
| Glenwood Homes                        |                                |           |          |            |  |           |      |      |      |                |
| GLENWDHM                              |                                |           |          |            |  |           |      |      |      |                |
| 20171117                              | 11/17/2017                     | 1,250.00  | 0.00     | 12/05/2017 | Escrow Refund 2017-519 8690 Lake Jane Tr |           | -    |      | No   | 0000           |
| 803-000-0000-22900                    | Deposits Payable               |           |          |            |  |           |      |      |      |                |
| 20171117 Total:                       |                                | 1,250.00  |          |            |  |           |      |      |      |                |
| GLENWDHM Total:                       |                                | 1,250.00  |          |            |  |           |      |      |      |                |
| Glenwood Homes Total:                 |                                | 1,250.00  |          |            |  |           |      |      |      |                |
| Great America Financial               |                                |           |          |            |  |           |      |      |      |                |
| GREATAM                               |                                |           |          |            |  |           |      |      |      |                |
| 21652422                              | 11/15/2017                     | 407.89    | 0.00     | 12/05/2017 | Copier Maint-Sharp MX-5141N Sept 2017    |           | -    |      | No   | 0000           |
| 101-410-1450-44040                    | Repairs/Maint Eqpt             |           |          |            |  |           |      |      |      |                |
| 21652422 Total:                       |                                | 407.89    |          |            |  |           |      |      |      |                |
| 21652423                              | 11/15/2017                     | 365.58    | 0.00     | 12/05/2017 | Copier Maint-Sharp MX-5070N Sept 2017    |           | -    |      | No   | 0000           |
| 101-410-1940-44040                    | Repairs/Maint Contractual Eqpt |           |          |            |  |           |      |      |      |                |
| 21652423 Total:                       |                                | 365.58    |          |            |  |           |      |      |      |                |
| GREATAM Total:                        |                                | 773.47    |          |            |  |           |      |      |      |                |
| Great America Financial Total:        |                                | 773.47    |          |            |  |           |      |      |      |                |
| Holiday Credit Office                 |                                |           |          |            |  |           |      |      |      |                |
| HOLIDAYC                              |                                |           |          |            |  |           |      |      |      |                |
| 20171115                              | 11/15/2017                     | 262.56    | 0.00     | 12/05/2017 | Fuel                                     |           | -    |      | No   | 0000           |
| 101-420-2220-42120                    | Fuel, Oil and Fluids           |           |          |            |  |           |      |      |      |                |
| 20171115 Total:                       |                                | 262.56    |          |            |  |           |      |      |      |                |
| HOLIDAYC Total:                       |                                | 262.56    |          |            |  |           |      |      |      |                |
| Holiday Credit Office Total:          |                                | 262.56    |          |            |  |           |      |      |      |                |
| Innovative Office Solutions           |                                |           |          |            |  |           |      |      |      |                |
| INNOVAT                               |                                |           |          |            |  |           |      |      |      |                |
| IN1825034                             | 11/14/2017                     | 89.62     | 0.00     | 12/05/2017 | Office Supplies                          |           | -    |      | No   | 0000           |
| 101-410-1320-42000                    | Office Supplies                |           |          |            |  |           |      |      |      |                |
| IN1825034 Total:                      |                                | 89.62     |          |            |  |           |      |      |      |                |

| Invoice #                          | Inv Date           | Amount   | Quantity | Pmt Date   | Description                     | Reference | Task | Type | PO # | Close PO Line # |
|------------------------------------|--------------------|----------|----------|------------|---------------------------------|-----------|------|------|------|-----------------|
| IN1833716                          | 11/20/2017         | 14.50    | 0.00     | 12/05/2017 | Office Supplies                 |           | -    |      |      | No 0000         |
| 101-420-2400-42000                 | Office Supplies    |          |          |            |                                 |           |      |      |      |                 |
|                                    | IN1833716 Total:   | 14.50    |          |            |                                 |           |      |      |      |                 |
| IN1836873                          | 11/22/2017         | 331.11   | 0.00     | 12/05/2017 | Receipt Books                   |           | -    |      |      | No 0000         |
| 101-410-1320-42000                 | Office Supplies    |          |          |            |                                 |           |      |      |      |                 |
|                                    | IN1836873 Total:   | 331.11   |          |            |                                 |           |      |      |      |                 |
|                                    | INNOVAT Total:     | 435.23   |          |            |                                 |           |      |      |      |                 |
| Innovative Office Solutions Total: |                    | 435.23   |          |            |                                 |           |      |      |      |                 |
| Johnson & Turner Attorneys         |                    |          |          |            |                                 |           |      |      |      |                 |
| JOHNSON&                           |                    |          |          |            |                                 |           |      |      |      |                 |
| 66552                              | 10/31/2017         | 3,705.00 | 0.00     | 12/05/2017 | Prosecution Svs Oct 2017        |           | -    |      |      | No 0000         |
| 101-420-2150-43045                 | Attorney Criminal  |          |          |            |                                 |           |      |      |      |                 |
|                                    | 66552 Total:       | 3,705.00 |          |            |                                 |           |      |      |      |                 |
|                                    | JOHNSON& Total:    | 3,705.00 |          |            |                                 |           |      |      |      |                 |
| Johnson & Turner Attorneys Total:  |                    | 3,705.00 |          |            |                                 |           |      |      |      |                 |
| Kennedy & Graven, Chartered        |                    |          |          |            |                                 |           |      |      |      |                 |
| KENGRAVE                           |                    |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 6,850.10 | 0.00     | 12/05/2017 | General Matters                 |           | -    |      |      | No 0000         |
| 101-410-1320-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 1,275.79 | 0.00     | 12/05/2017 | 3M litigation                   |           | -    |      |      | No 0000         |
| 601-494-9400-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 129.50   | 0.00     | 12/05/2017 | Haz Bldg - 9240 31st Street     |           | -    |      |      | No 0000         |
| 101-410-1320-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 542.50   | 0.00     | 12/05/2017 | Verizon Lease                   |           | -    |      |      | No 0000         |
| 101-410-1320-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 55.96    | 0.00     | 12/05/2017 | Danielson Property Condemnation |           | -    |      |      | No 0000         |
| 101-410-1320-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 537.50   | 0.00     | 12/05/2017 | The Royal Golf Club             |           | -    |      |      | No 0000         |
| 803-000-0000-22910                 | Developer Payments |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 558.00   | 0.00     | 12/05/2017 | Personnel Matters               |           | -    |      |      | No 0000         |
| 101-410-1320-43040                 | Legal Services     |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 349.75   | 0.00     | 12/05/2017 | Hidden Meadows 2nd              |           | -    |      |      | No 0000         |
| 803-000-0000-22910                 | Developer Payments |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 3.08     | 0.00     | 12/05/2017 | Hammes 2nd                      |           | -    |      |      | No 0000         |
| 803-000-0000-22910                 | Developer Payments |          |          |            |                                 |           |      |      |      |                 |
| 140272                             | 11/17/2017         | 161.25   | 0.00     | 12/05/2017 | Lakewood Crossing 2nd           |           | -    |      |      | No 0000         |
| 803-000-0000-22910                 | Developer Payments |          |          |            |                                 |           |      |      |      |                 |

| Invoice #                      | Inv Date                              | Amount    | Quantity | Pmt Date   | Description                     | Reference | Task | Type | PO # | Close PO Line # |
|--------------------------------|---------------------------------------|-----------|----------|------------|---------------------------------|-----------|------|------|------|-----------------|
| 140272                         | 11/17/2017                            | 376.25    | 0.00     | 12/05/2017 | Southwind of Lake Elmo          |           | -    |      |      | No 0000         |
| 803-000-0000-22910             | Developer Payments                    |           |          |            |                                 |           |      |      |      |                 |
| 140272                         | 11/17/2017                            | 322.50    | 0.00     | 12/05/2017 | Northport (Pulte)               |           | -    |      |      | No 0000         |
| 803-000-0000-22910             | Developer Payments                    |           |          |            |                                 |           |      |      |      |                 |
|                                | 140272 Total:                         | 11,162.18 |          |            |                                 |           |      |      |      |                 |
|                                | KENGRAVE Total:                       | 11,162.18 |          |            |                                 |           |      |      |      |                 |
|                                | Kennedy & Graven, Chartered Total:    | 11,162.18 |          |            |                                 |           |      |      |      |                 |
| Kremer Services, LLC           |                                       |           |          |            |                                 |           |      |      |      |                 |
| KREMER                         |                                       |           |          |            |                                 |           |      |      |      |                 |
| 52676                          | 11/13/2017                            | 426.74    | 0.00     | 12/05/2017 | Leaf Spring repair 12-1         |           | -    |      |      | No 0000         |
| 101-430-3100-44040             | Repairs/Maint Eqpt                    |           |          |            |                                 |           |      |      |      |                 |
|                                | 52676 Total:                          | 426.74    |          |            |                                 |           |      |      |      |                 |
|                                | KREMER Total:                         | 426.74    |          |            |                                 |           |      |      |      |                 |
|                                | Kremer Services, LLC Total:           | 426.74    |          |            |                                 |           |      |      |      |                 |
| League of MN Cities            |                                       |           |          |            |                                 |           |      |      |      |                 |
| LEAGMN                         |                                       |           |          |            |                                 |           |      |      |      |                 |
| 265357                         | 11/27/2017                            | 30.00     | 0.00     | 12/05/2017 | Registration for Planning Class |           | -    |      |      | No 0000         |
| 101-410-1910-44370             | Conferences & Training                |           |          |            |                                 |           |      |      |      |                 |
|                                | 265357 Total:                         | 30.00     |          |            |                                 |           |      |      |      |                 |
|                                | LEAGMN Total:                         | 30.00     |          |            |                                 |           |      |      |      |                 |
|                                | League of MN Cities Total:            | 30.00     |          |            |                                 |           |      |      |      |                 |
| Lillie Suburban Newspaper Inc. |                                       |           |          |            |                                 |           |      |      |      |                 |
| Lillie                         |                                       |           |          |            |                                 |           |      |      |      |                 |
| 20170331                       | 10/31/2017                            | 126.00    | 0.00     | 12/05/2017 | Legal Publications              |           | -    |      |      | No 0000         |
| 101-410-1910-43510             | Legal Publishing                      |           |          |            |                                 |           |      |      |      |                 |
|                                | 20170331 Total:                       | 126.00    |          |            |                                 |           |      |      |      |                 |
|                                | Lillie Total:                         | 126.00    |          |            |                                 |           |      |      |      |                 |
|                                | Lillie Suburban Newspaper Inc. Total: | 126.00    |          |            |                                 |           |      |      |      |                 |

| Invoice #                 | Inv Date                        | Amount    | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close PO Line # |
|---------------------------|---------------------------------|-----------|----------|------------|--|-----------|------|------|------|-----------------|
| Ludwigson Jan             |                                 |           |          |            |  |           |      |      |      |                 |
| LUDWIGJ                   |                                 |           |          |            |  |           |      |      |      |                 |
| 20171129                  | 11/29/2017                      | 345.00    | 0.00     | 12/05/2017 | Refund overpayment on utility bill       |           | -    |      | No   | 0000            |
| 601-000-0000-37100        | Water Sales                     |           |          |            |  |           |      |      |      |                 |
|                           | 20171129 Total:                 | 345.00    |          |            |  |           |      |      |      |                 |
|                           | LUDWIGJ Total:                  | 345.00    |          |            |  |           |      |      |      |                 |
|                           | Ludwigson Jan Total:            | 345.00    |          |            |  |           |      |      |      |                 |
| Magney Construction, Inc  |                                 |           |          |            |  |           |      |      |      |                 |
| MAGNEY                    |                                 |           |          |            |  |           |      |      |      |                 |
| Pay Req 9                 | 11/01/2017                      | 67,866.41 | 0.00     | 12/05/2017 | Inwood Booster Station 2014.129          |           | -    |      | No   | 0000            |
| 601-494-9400-43030        | Engineering Services            |           |          |            |  |           |      |      |      |                 |
|                           | Pay Req 9 Total:                | 67,866.41 |          |            |  |           |      |      |      |                 |
|                           | MAGNEY Total:                   | 67,866.41 |          |            |  |           |      |      |      |                 |
|                           | Magney Construction, Inc Total: | 67,866.41 |          |            |  |           |      |      |      |                 |
| Malmquist Greg            |                                 |           |          |            |  |           |      |      |      |                 |
| MALMQ                     |                                 |           |          |            |  |           |      |      |      |                 |
| 20171113                  | 11/13/2017                      | 1,487.43  | 0.00     | 12/05/2017 | Reimbursement - VCOS Conference          |           | -    |      | No   | 0000            |
| 101-420-2220-44370        | Conferences & Training          |           |          |            |  |           |      |      |      |                 |
|                           | 20171113 Total:                 | 1,487.43  |          |            |  |           |      |      |      |                 |
|                           | MALMQ Total:                    | 1,487.43  |          |            |  |           |      |      |      |                 |
|                           | Malmquist Greg Total:           | 1,487.43  |          |            |  |           |      |      |      |                 |
| Maroney's Sanitation, Inc |                                 |           |          |            |  |           |      |      |      |                 |
| MARONEYS                  |                                 |           |          |            |  |           |      |      |      |                 |
| 699463                    | 11/09/2017                      | 121.72    | 0.00     | 12/05/2017 | Trash Service - City Hall 1001-1031      |           | -    |      | No   | 0000            |
| 101-410-1940-43840        | Refuse                          |           |          |            |  |           |      |      |      |                 |
| 699463                    | 11/09/2017                      | 50.77     | 0.00     | 12/05/2017 | Trash Service - Fire Station 2 1001-1031 |           | -    |      | No   | 0000            |
| 101-420-2220-43840        | Refuse                          |           |          |            |  |           |      |      |      |                 |
| 699463                    | 11/09/2017                      | 221.17    | 0.00     | 12/05/2017 | Trash Svs - Parks Bldg/Storage 1001-1031 |           | -    |      | No   | 0000            |
| 101-450-5200-43840        | Refuse                          |           |          |            |  |           |      |      |      |                 |
| 699463                    | 11/09/2017                      | 694.24    | 0.00     | 12/05/2017 | Trash Service - Public Works 1001-1031   |           | -    |      | No   | 0000            |
| 101-420-2220-43840        | Refuse                          |           |          |            |  |           |      |      |      |                 |
| 699463                    | 11/09/2017                      | 50.88     | 0.00     | 12/05/2017 | Trash Service - Library 1001-1031        |           | -    |      | No   | 0000            |
| 206-450-5300-43840        | Refuse                          |           |          |            |  |           |      |      |      |                 |
|                           | 699463 Total:                   | 1,138.78  |          |            |  |           |      |      |      |                 |

| Invoice #                             | Inv Date               | Amount   | Quantity | Pmt Date   | Description                      | Reference        | Task | Type | PO # | Close PO Line # |
|---------------------------------------|------------------------|----------|----------|------------|----------------------------------|------------------|------|------|------|-----------------|
| MARONEYS Total:                       |                        | 1,138.78 |          |            |                                  |                  |      |      |      |                 |
| Maroney's Sanitation, Inc Total:      |                        | 1,138.78 |          |            |                                  |                  |      |      |      |                 |
| MCFOA                                 |                        |          |          |            |                                  |                  |      |      |      |                 |
| MC&FOA                                |                        |          |          |            |                                  |                  |      |      |      |                 |
| 20171128                              | 11/28/2017             | 40.00    | 0.00     | 12/05/2017 | Membership Fee                   | 070117-063018 JJ | -    |      | No   | 0000            |
| 101-410-1320-44370                    | Conferences & Training |          |          |            |                                  |                  |      |      |      |                 |
| 20171128 Total:                       |                        | 40.00    |          |            |                                  |                  |      |      |      |                 |
| MC&FOA Total:                         |                        | 40.00    |          |            |                                  |                  |      |      |      |                 |
| MCFOA Total:                          |                        | 40.00    |          |            |                                  |                  |      |      |      |                 |
| Menards - Oakdale                     |                        |          |          |            |                                  |                  |      |      |      |                 |
| MENARDSO                              |                        |          |          |            |                                  |                  |      |      |      |                 |
| 43399                                 | 11/13/2017             | 132.85   | 0.00     | 12/05/2017 | Misc supplies                    |                  | -    |      | No   | 0000            |
| 101-450-5200-44040                    | Repairs/Maint Eqpt     |          |          |            |                                  |                  |      |      |      |                 |
| 43399 Total:                          |                        | 132.85   |          |            |                                  |                  |      |      |      |                 |
| 43626                                 | 11/16/2017             | 47.41    | 0.00     | 12/05/2017 | Garage door opener repair parts  |                  | -    |      | No   | 0000            |
| 101-430-3100-44010                    | Repairs/Maint Bldg     |          |          |            |                                  |                  |      |      |      |                 |
| 43626 Total:                          |                        | 47.41    |          |            |                                  |                  |      |      |      |                 |
| 43692                                 | 11/17/2017             | 48.01    | 0.00     | 12/05/2017 | Station # 1 maintenance          |                  | -    |      | No   | 0000            |
| 101-420-2220-44010                    | Repairs/Maint Bldg     |          |          |            |                                  |                  |      |      |      |                 |
| 43692 Total:                          |                        | 48.01    |          |            |                                  |                  |      |      |      |                 |
| MENARDSO Total:                       |                        | 228.27   |          |            |                                  |                  |      |      |      |                 |
| Menards - Oakdale Total:              |                        | 228.27   |          |            |                                  |                  |      |      |      |                 |
| Minnesota Department of Health        |                        |          |          |            |                                  |                  |      |      |      |                 |
| MDH                                   |                        |          |          |            |                                  |                  |      |      |      |                 |
| 20171231                              | 11/15/2017             | 1,661.00 | 0.00     | 12/05/2017 | 2017 4th Q Water Connection Fees |                  | -    |      | No   | 0000            |
| 601-494-9400-43820                    | Water Utility          |          |          |            |                                  |                  |      |      |      |                 |
| 20171231 Total:                       |                        | 1,661.00 |          |            |                                  |                  |      |      |      |                 |
| MDH Total:                            |                        | 1,661.00 |          |            |                                  |                  |      |      |      |                 |
| Minnesota Department of Health Total: |                        | 1,661.00 |          |            |                                  |                  |      |      |      |                 |

| Invoice #                   | Inv Date                           | Amount   | Quantity | Pmt Date   | Description                              | Reference | Task | Type | PO # | Close POLine # |
|-----------------------------|------------------------------------|----------|----------|------------|--|-----------|------|------|------|----------------|
| New York Times              |                                    |          |          |            |  |           |      |      |      |                |
| NEWYORKT                    |                                    |          |          |            |  |           |      |      |      |                |
| 20171004                    | 10/01/2017                         | 242.00   | 0.00     | 12/05/2017 | NYT Subscription                         |           | -    |      | No   | 0000           |
| 206-450-5300-42500          | Library Collection Maintenance     |          |          |            |  |           |      |      |      |                |
|                             | 20171004 Total:                    | 242.00   |          |            |  |           |      |      |      |                |
|                             | NEWYORKT Total:                    | 242.00   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
|                             | New York Times Total:              | 242.00   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
| Pepin Ben                   |                                    |          |          |            |  |           |      |      |      |                |
| PEPINBEN                    |                                    |          |          |            |  |           |      |      |      |                |
| 20171117                    | 11/17/2017                         | 500.00   | 0.00     | 12/05/2017 | Escrow Refund Variance 8690 Lake Jane Tr |           | -    |      | No   | 0000           |
| 803-000-0000-22910          | Developer Payments                 |          |          |            |  |           |      |      |      |                |
|                             | 20171117 Total:                    | 500.00   |          |            |  |           |      |      |      |                |
|                             | PEPINBEN Total:                    | 500.00   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
|                             | Pepin Ben Total:                   | 500.00   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
| Plunkett's Pest Control Inc |                                    |          |          |            |  |           |      |      |      |                |
| PLUNKETT                    |                                    |          |          |            |  |           |      |      |      |                |
| 5724129                     | 11/09/2017                         | 128.55   | 0.00     | 12/05/2017 | Quarterly pest control svs public works  |           | -    |      | No   | 0000           |
| 101-410-1940-44010          | Repairs/Maint Contractual Bldg     |          |          |            |  |           |      |      |      |                |
|                             | 5724129 Total:                     | 128.55   |          |            |  |           |      |      |      |                |
|                             | PLUNKETT Total:                    | 128.55   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
|                             | Plunkett's Pest Control Inc Total: | 128.55   |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
| Rivard Companies            |                                    |          |          |            |  |           |      |      |      |                |
| RIVARD                      |                                    |          |          |            |  |           |      |      |      |                |
| 378362                      | 10/17/2017                         | 1,700.00 | 0.00     | 12/05/2017 | Mulch - Ridge Park                       |           | -    |      | No   | 0000           |
| 101-450-5200-44030          | Repairs/Maint Imp Not Bldgs        |          |          |            |  |           |      |      |      |                |
|                             | 378362 Total:                      | 1,700.00 |          |            |  |           |      |      |      |                |
|                             | RIVARD Total:                      | 1,700.00 |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |
|                             | Rivard Companies Total:            | 1,700.00 |          |            |  |           |      |      |      |                |
|                             | <hr/>                              |          |          |            |  |           |      |      |      |                |

| Invoice #                             | Inv Date             | Amount   | Quantity | Pmt Date   | Description                         | Reference | Task | Type | PO # | Close POLine # |
|---------------------------------------|----------------------|----------|----------|------------|-------------------------------------|-----------|------|------|------|----------------|
| Short Elliott Hendrickson, Inc        |                      |          |          |            |                                     |           |      |      |      |                |
| SEH                                   |                      |          |          |            |                                     |           |      |      |      |                |
| 340738                                | 11/03/2017           | 3,493.41 | 0.00     | 12/05/2017 | Inwood Water Tower Project 2015.130 |           | -    |      | No   | 0000           |
| 601-494-9400-43030                    | Engineering Services |          |          |            |                                     |           |      |      |      |                |
|                                       | 340738 Total:        | 3,493.41 |          |            |                                     |           |      |      |      |                |
|                                       | SEH Total:           | 3,493.41 |          |            |                                     |           |      |      |      |                |
| Short Elliott Hendrickson, Inc Total: |                      | 3,493.41 |          |            |                                     |           |      |      |      |                |
| Shred-It USA                          |                      |          |          |            |                                     |           |      |      |      |                |
| SHRED-IT                              |                      |          |          |            |                                     |           |      |      |      |                |
| 8123487483                            | 10/31/2017           | 627.84   | 0.00     | 12/05/2017 | Document shredding                  |           | -    |      | No   | 0000           |
| 101-410-1320-43150                    | Contract Services    |          |          |            |                                     |           |      |      |      |                |
|                                       | 8123487483 Total:    | 627.84   |          |            |                                     |           |      |      |      |                |
|                                       | SHRED-IT Total:      | 627.84   |          |            |                                     |           |      |      |      |                |
| Shred-It USA Total:                   |                      | 627.84   |          |            |                                     |           |      |      |      |                |
| Sprint                                |                      |          |          |            |                                     |           |      |      |      |                |
| SPRINT                                |                      |          |          |            |                                     |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 16.86    | 0.00     | 12/05/2017 | Cell Phone Service - Planning Dept  |           | -    |      | No   | 0000           |
| 101-410-1910-43210                    | Telephone            |          |          |            |                                     |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 68.88    | 0.00     | 12/05/2017 | Cell Phone Service - Administration |           | -    |      | No   | 0000           |
| 101-410-1940-43210                    | Telephone            |          |          |            |                                     |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 249.31   | 0.00     | 12/05/2017 | Cell Phone Service - Fire Dept      |           | -    |      | No   | 0000           |
| 101-420-2220-43210                    | Telephone            |          |          |            |                                     |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 249.63   | 0.00     | 12/05/2017 | Cell Phone Service - Building Dept  |           | -    |      | No   | 0000           |
| 101-420-2400-43210                    | Telephone            |          |          |            |                                     |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 134.34   | 0.00     | 12/05/2017 | Cell Phone Service - Public Works   |           | -    |      | No   | 0000           |
| 101-430-3100-43210                    | Telephone            |          |          |            | Dept                                |           |      |      |      |                |
| 761950227-176                         | 11/18/2017           | 62.63    | 0.00     | 12/05/2017 | Cell Phone Service - Parks Dept     |           | -    |      | No   | 0000           |
| 101-450-5200-43210                    | Telephone            |          |          |            |                                     |           |      |      |      |                |
|                                       | 761950227-176 Total: | 781.65   |          |            |                                     |           |      |      |      |                |
|                                       | SPRINT Total:        | 781.65   |          |            |                                     |           |      |      |      |                |
| Sprint Total:                         |                      | 781.65   |          |            |                                     |           |      |      |      |                |

| Invoice #                         | Inv Date             | Amount    | Quantity | Pmt Date   | Description                          | Reference | Task | Type | PO # | Close POLine # |
|-----------------------------------|----------------------|-----------|----------|------------|--------------------------------------|-----------|------|------|------|----------------|
| SRF Consulting Group, Inc         |                      |           |          |            |                                      |           |      |      |      |                |
| SRFCONSU                          |                      |           |          |            |                                      |           |      |      |      |                |
| 08132.01-1                        | 10/31/2017           | 4,555.96  | 0.00     | 12/05/2017 | State Highway 36 South Frontage Road |           | -    |      | No   | 0000           |
| 101-410-1930-43030                | Engineering Services |           |          |            |                                      |           |      |      |      |                |
|                                   | 08132.01-1 Total:    | 4,555.96  |          |            |                                      |           |      |      |      |                |
|                                   | SRFCONSU Total:      | 4,555.96  |          |            |                                      |           |      |      |      |                |
| SRF Consulting Group, Inc Total:  |                      | 4,555.96  |          |            |                                      |           |      |      |      |                |
| SW/WC Service Cooperatives        |                      |           |          |            |                                      |           |      |      |      |                |
| SW/WC                             |                      |           |          |            |                                      |           |      |      |      |                |
| 170901304103                      | 11/20/2017           | 19,143.00 | 0.00     | 12/05/2017 | December 2017 Premiums               |           | -    |      | No   | 0000           |
| 101-000-0000-21706                | Medical Insurance    |           |          |            |                                      |           |      |      |      |                |
|                                   | 170901304103 Total:  | 19,143.00 |          |            |                                      |           |      |      |      |                |
|                                   | SW/WC Total:         | 19,143.00 |          |            |                                      |           |      |      |      |                |
| SW/WC Service Cooperatives Total: |                      | 19,143.00 |          |            |                                      |           |      |      |      |                |
| T Mobile                          |                      |           |          |            |                                      |           |      |      |      |                |
| TMOBILE                           |                      |           |          |            |                                      |           |      |      |      |                |
| 947226095                         | 11/12/2017           | 9.21      | 0.00     | 12/05/2017 | SCADA Line 101117-111017             |           | -    |      | No   | 0000           |
| 601-494-9400-43210                | Telephone            |           |          |            |                                      |           |      |      |      |                |
| 947226095                         | 11/12/2017           | 9.20      | 0.00     | 12/05/2017 | SCADA Line 101117-111017             |           | -    |      | No   | 0000           |
| 602-495-9450-43210                | Telephone            |           |          |            |                                      |           |      |      |      |                |
|                                   | 947226095 Total:     | 18.41     |          |            |                                      |           |      |      |      |                |
|                                   | TMOBILE Total:       | 18.41     |          |            |                                      |           |      |      |      |                |
| T Mobile Total:                   |                      | 18.41     |          |            |                                      |           |      |      |      |                |
| Tachney Exteriors                 |                      |           |          |            |                                      |           |      |      |      |                |
| TACHNEYE                          |                      |           |          |            |                                      |           |      |      |      |                |
| 20171120                          | 11/20/2017           | 203.85    | 0.00     | 12/05/2017 | Refund for previously issued permit  |           | -    |      | No   | 0000           |
| 101-000-0000-20200                | Accounts Payable     |           |          |            |                                      |           |      |      |      |                |
|                                   | 20171120 Total:      | 203.85    |          |            |                                      |           |      |      |      |                |
|                                   | TACHNEYE Total:      | 203.85    |          |            |                                      |           |      |      |      |                |
| Tachney Exteriors Total:          |                      | 203.85    |          |            |                                      |           |      |      |      |                |

| Invoice #                           | Inv Date             | Amount   | Quantity | Pmt Date   | Description                          | Reference | Task | Type | PO # | Close PO Line # |
|-------------------------------------|----------------------|----------|----------|------------|--------------------------------------|-----------|------|------|------|-----------------|
| Telemetry & Process Controls        |                      |          |          |            |                                      |           |      |      |      |                 |
| TELEMETR                            |                      |          |          |            |                                      |           |      |      |      |                 |
| 106621                              | 11/21/2017           | 279.00   | 0.00     | 12/05/2017 | Contract Services - SCADA            |           | -    |      | No   | 0000            |
| 601-494-9400-43150                  | Contract Services    |          |          |            |                                      |           |      |      |      |                 |
| 106621                              | 11/21/2017           | 279.00   | 0.00     | 12/05/2017 | Contract Services - SCADA            |           | -    |      | No   | 0000            |
| 602-495-9450-43150                  | Contract Services    |          |          |            |                                      |           |      |      |      |                 |
|                                     | 106621 Total:        | 558.00   |          |            |                                      |           |      |      |      |                 |
|                                     | TELEMETR Total:      | 558.00   |          |            |                                      |           |      |      |      |                 |
| Telemetry & Process Controls Total: |                      | 558.00   |          |            |                                      |           |      |      |      |                 |
| Titan Machinery                     |                      |          |          |            |                                      |           |      |      |      |                 |
| TITAN                               |                      |          |          |            |                                      |           |      |      |      |                 |
| 825047 CL                           | 11/13/2017           | 9,634.85 | 0.00     | 12/05/2017 | Radiator and Exhaust repair Case 721 |           | -    |      | No   | 0000            |
| 101-430-3100-44040                  | Repairs/Maint Eqpt   |          |          |            | Loa                                  |           |      |      |      |                 |
|                                     | 825047 CL Total:     | 9,634.85 |          |            |                                      |           |      |      |      |                 |
|                                     | TITAN Total:         | 9,634.85 |          |            |                                      |           |      |      |      |                 |
| Titan Machinery Total:              |                      | 9,634.85 |          |            |                                      |           |      |      |      |                 |
| United Land LLC                     |                      |          |          |            |                                      |           |      |      |      |                 |
| UNITEDLA                            |                      |          |          |            |                                      |           |      |      |      |                 |
| City-0717-OEA                       | 11/15/2017           | 63.00    | 0.00     | 12/05/2017 | Eagle Point Office Park Easement     |           | -    |      | No   | 0000            |
| 101-410-1320-44300                  | Miscellaneous        |          |          |            | Mainten                              |           |      |      |      |                 |
|                                     | City-0717-OEA Total: | 63.00    |          |            |                                      |           |      |      |      |                 |
|                                     | UNITEDLA Total:      | 63.00    |          |            |                                      |           |      |      |      |                 |
| United Land LLC Total:              |                      | 63.00    |          |            |                                      |           |      |      |      |                 |
| Verizon Wireless                    |                      |          |          |            |                                      |           |      |      |      |                 |
| VERIZON                             |                      |          |          |            |                                      |           |      |      |      |                 |
| 979612474                           | 11/10/2017           | 35.01    | 0.00     | 12/05/2017 | Air Card for tablet 1011-1110        |           | -    |      | No   | 0000            |
| 101-420-2220-43210                  | Telephone            |          |          |            |                                      |           |      |      |      |                 |
|                                     | 979612474 Total:     | 35.01    |          |            |                                      |           |      |      |      |                 |
|                                     | VERIZON Total:       | 35.01    |          |            |                                      |           |      |      |      |                 |
| Verizon Wireless Total:             |                      | 35.01    |          |            |                                      |           |      |      |      |                 |

| Invoice #                          | Inv Date          | Amount | Quantity | Pmt Date   | Description                             | Reference | Task | Type | PO # | Close PO Line # |
|------------------------------------|-------------------|--------|----------|------------|---|-----------|------|------|------|-----------------|
| Water Conservation Svs Inc.        |                   |        |          |            |   |           |      |      |      |                 |
| WATERCON                           |                   |        |          |            |   |           |      |      |      |                 |
| 7831                               | 09/11/2017        | 294.08 | 0.00     | 12/05/2017 | Water leak detection 3217 Lake Elmo Ave |           | -    |      | No   | 0000            |
| 601-494-9400-43150                 | Contract Services |        |          |            |   |           |      |      |      |                 |
|                                    | 7831 Total:       | 294.08 |          |            |   |           |      |      |      |                 |
|                                    | WATERCON Total:   | 294.08 |          |            |   |           |      |      |      |                 |
| Water Conservation Svs Inc. Total: |                   | 294.08 |          |            |   |           |      |      |      |                 |
| Xcel Energy                        |                   |        |          |            |   |           |      |      |      |                 |
| XCEL                               |                   |        |          |            |   |           |      |      |      |                 |
| 569867863                          | 11/16/2017        | 255.47 | 0.00     | 12/05/2017 | Lift Station                            |           | -    |      | No   | 0000            |
| 602-495-9450-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569867863 Total:  | 255.47 |          |            |   |           |      |      |      |                 |
| 569921985                          | 11/16/2017        | 10.39  | 0.00     | 12/05/2017 | Tennis Court                            |           | -    |      | No   | 0000            |
| 101-450-5200-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569921985 Total:  | 10.39  |          |            |   |           |      |      |      |                 |
| 569932240                          | 11/16/2017        | 104.66 | 0.00     | 12/05/2017 | Parks Bldg                              |           | -    |      | No   | 0000            |
| 101-450-5200-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569932240 Total:  | 104.66 |          |            |   |           |      |      |      |                 |
| 569936445                          | 11/16/2017        | 37.63  | 0.00     | 12/05/2017 | Traffic Lights                          |           | -    |      | No   | 0000            |
| 101-430-3160-43810                 | Street Lighting   |        |          |            |   |           |      |      |      |                 |
|                                    | 569936445 Total:  | 37.63  |          |            |   |           |      |      |      |                 |
| 569943728                          | 11/16/2017        | 15.47  | 0.00     | 12/05/2017 | Lift Station                            |           | -    |      | No   | 0000            |
| 602-495-9450-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569943728 Total:  | 15.47  |          |            |   |           |      |      |      |                 |
| 569944756                          | 11/16/2017        | 430.24 | 0.00     | 12/05/2017 | Fire Station 1                          |           | -    |      | No   | 0000            |
| 101-420-2220-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569944756 Total:  | 430.24 |          |            |   |           |      |      |      |                 |
| 569948252                          | 11/16/2017        | 15.89  | 0.00     | 12/05/2017 | Lift Station                            |           | -    |      | No   | 0000            |
| 602-495-9450-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569948252 Total:  | 15.89  |          |            |   |           |      |      |      |                 |
| 569951368                          | 11/16/2017        | 27.15  | 0.00     | 12/05/2017 | Traffic Lights                          |           | -    |      | No   | 0000            |
| 101-430-3160-43810                 | Street Lighting   |        |          |            |   |           |      |      |      |                 |
|                                    | 569951368 Total:  | 27.15  |          |            |   |           |      |      |      |                 |
| 569959786                          | 11/16/2017        | 109.86 | 0.00     | 12/05/2017 | Water Tower 2                           |           | -    |      | No   | 0000            |
| 601-494-9400-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569959786 Total:  | 109.86 |          |            |   |           |      |      |      |                 |
| 569960373                          | 11/16/2017        | 22.12  | 0.00     | 12/05/2017 | Legion Park                             |           | -    |      | No   | 0000            |
| 101-450-5200-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569960373 Total:  | 22.12  |          |            |   |           |      |      |      |                 |
| 569966067                          | 11/16/2017        | 21.96  | 0.00     | 12/05/2017 | Pebble Park                             |           | -    |      | No   | 0000            |
| 101-450-5200-43810                 | Electric Utility  |        |          |            |   |           |      |      |      |                 |
|                                    | 569966067 Total:  | 21.96  |          |            |   |           |      |      |      |                 |

| Invoice #          | Inv Date           | Amount     | Quantity | Pmt Date   | Description      | Reference | Task | Type | PO # | Close POLine # |
|--------------------|--------------------|------------|----------|------------|------------------|-----------|------|------|------|----------------|
| 569966601          | 11/16/2017         | 11.62      | 0.00     | 12/05/2017 | Speed Sign Hwy 5 |           | -    |      | No   | 0000           |
| 101-430-3160-43810 | Street Lighting    |            |          |            |                  |           |      |      |      |                |
| 569966601          | 11/16/2017         | 58.84      | 0.00     | 12/05/2017 | Traffic Lights   |           | -    |      | No   | 0000           |
| 101-430-3160-43810 | Street Lighting    |            |          |            |                  |           |      |      |      |                |
|                    | 569966601 Total:   | 70.46      |          |            |                  |           |      |      |      |                |
| 569981468          | 11/16/2017         | 123.80     | 0.00     | 12/05/2017 | Pumphouse        |           | -    |      | No   | 0000           |
| 601-494-9400-43810 | Electric Utility   |            |          |            |                  |           |      |      |      |                |
|                    | 569981468 Total:   | 123.80     |          |            |                  |           |      |      |      |                |
| 569982839          | 11/16/2017         | 1,068.87   | 0.00     | 12/05/2017 | Pumphouse        |           | -    |      | No   | 0000           |
| 601-494-9400-43810 | Electric Utility   |            |          |            |                  |           |      |      |      |                |
|                    | 569982839 Total:   | 1,068.87   |          |            |                  |           |      |      |      |                |
| 569984198          | 11/16/2017         | 11.72      | 0.00     | 12/05/2017 | Sunfish Park     |           | -    |      | No   | 0000           |
| 101-450-5200-43810 | Electric Utility   |            |          |            |                  |           |      |      |      |                |
|                    | 569984198 Total:   | 11.72      |          |            |                  |           |      |      |      |                |
| 569999905          | 11/16/2017         | 46.61      | 0.00     | 12/05/2017 | Traffic Lights   |           | -    |      | No   | 0000           |
| 101-430-3160-43810 | Street Lighting    |            |          |            |                  |           |      |      |      |                |
|                    | 569999905 Total:   | 46.61      |          |            |                  |           |      |      |      |                |
| 570028463          | 11/16/2017         | 36.76      | 0.00     | 12/05/2017 | Traffic Lights   |           | -    |      | No   | 0000           |
| 101-430-3160-43810 | Street Lighting    |            |          |            |                  |           |      |      |      |                |
|                    | 570028463 Total:   | 36.76      |          |            |                  |           |      |      |      |                |
| 570036689          | 11/17/2017         | 441.23     | 0.00     | 12/05/2017 | Library          |           | -    |      | No   | 0000           |
| 206-450-5300-43810 | Electric Utility   |            |          |            |                  |           |      |      |      |                |
|                    | 570036689 Total:   | 441.23     |          |            |                  |           |      |      |      |                |
| 570095877          | 11/17/2017         | 357.12     | 0.00     | 12/05/2017 | Fire Statioin 2  |           | -    |      | No   | 0000           |
| 101-420-2220-43810 | Electric Utility   |            |          |            |                  |           |      |      |      |                |
|                    | 570095877 Total:   | 357.12     |          |            |                  |           |      |      |      |                |
| 570651571          | 11/22/2017         | 27.23      | 0.00     | 12/05/2017 | Street Lights    |           | -    |      | No   | 0000           |
| 101-430-3160-43810 | Street Lighting    |            |          |            |                  |           |      |      |      |                |
|                    | 570651571 Total:   | 27.23      |          |            |                  |           |      |      |      |                |
|                    | XCEL Total:        | 3,234.64   |          |            |                  |           |      |      |      |                |
|                    | Xcel Energy Total: | 3,234.64   |          |            |                  |           |      |      |      |                |
|                    | Report Total:      | 240,414.25 |          |            |                  |           |      |      |      |                |

*OK - BAS - 11/29/17*



## STAFF REPORT

DATE: November 21, 2017  
CONSENT #3

**AGENDA ITEM:** Approve Liquor License Renewal – Elmo Liquor  
**TO:** Mayor and City Council  
**SUBMITTED BY:** Julie Johnson, City Clerk

---

**BACKGROUND:** According to State Statute and City Code, each year, all Liquor Licenses must be renewed. All renewals are contingent upon approval by the Washington County Sheriff's Department and review by the Minnesota Department of Public Safety, Alcohol and Gambling Enforcement.

**ISSUE BEFORE COUNCIL:**  
Should Council approve the requested license renewals?

**PROPOSAL:** The City has received a liquor license renewal applications for 2018 from Elmo Liquor.

The appropriate fees have been paid and all required documentation has been provided. Staff is not aware of any violations at any of the aforementioned establishment.

**FISCAL IMPACT:**  
Renewal fee in the amount of \$200.00.

**OPTIONS:**

- 1) Approve license renewal
- 2) Deny license renewal

**RECOMMENDATION:**  
If removed from Consent Agenda:

***“Motion to approve 2018 Liquor License Renewal for Elmo Liquor as presented.”***



## STAFF REPORT

DATE: December 5, 2017  
CONSENT #4

**AGENDA ITEM:** Adopt Resolution 2017-132 Declaring Polling Locations for 2018

**SUBMITTED BY:** Julie Johnson, City Clerk

---

**BACKGROUND:**

Pursuant to a change made by the legislature in 2017, Minnesota Statutes 204B.16, sub.1, requires cities to adopt an Ordinance or Resolution by December 31<sup>st</sup> of each year declaring the polling locations for the following year. The Office of the Secretary of State believes this change was made to lessen voter confusion, particularly in cities that relocate polling places from year to year. The two polling locations in Lake Elmo are functioning well and staff sees no reason to recommend any changes for 2018.

**ISSUE BEFORE COUNCIL:**

Should the Council adopt the Resolution?

**FISCAL IMPACT:**

NA

**RECOMMENDATION:**

If removed from the consent agenda:

*“Motion to adopt Resolution No 2017-132*

**ATTACHMENTS:**

- Resolution No. 2017-132

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-132**

**A RESOLUTION OF THE CITY OF LAKE ELMO, MINNESOTA  
DECLARING POLLING LOCATIONS FOR 2018**

**Whereas**, the City of Lake Elmo is required to designate polling places by December 31<sup>st</sup> of each year pursuant to M.S. 204B.16, subd. 1; and

**Whereas**, the City of Lake Elmo will operate two polling locations in 2018:

Precinct 1: Fire Station 1, 3510 Laverne Avenue North, Lake Elmo, MN

Precinct 2: City Hall, 3800 Laverne Avenue North, Lake Elmo, MN

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Lake Elmo, Minnesota, that the polling locations for the City for the 2018 elections have been declared.

APPROVED by the Lake Elmo City Council on this 5<sup>th</sup> day of December, 2017.

By: \_\_\_\_\_

Mike Pearson

Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk



## STAFF REPORT

DATE: December 5, 2017  
CONSENT #5

**AGENDA ITEM:** Local Board of Appeals and Equalization Meeting Authorization

**SUBMITTED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

The Local Board of Appeals and Equalization (LBAE) meeting is held annually in the spring and is an opportunity for property owners to challenge the assessed value of their property. In April 2016, a quorum of the council was not able to attend the Local Board of Appeals and Equalization meeting. Since that time, the function has been shifted to the county and property owners have had to attend open book meetings at various places around the county in order to challenge their assessed values.

### **ISSUE BEFORE COUNCIL:**

Should the Council approve re-establishing the Local Board of Appeals and Equalization?

### **PROPOSAL:**

Included in your packet is a resolution for the council to establish the LBAE for 2018. In addition to approving the resolution and providing a copy of the minutes to the County, the City will need to provide proof that at least one member has completed the required training. At this time Council member Bloyer is the only Council member to have completed the Board of Appeal and Equalization training. While this will meet the County's requirements for the time being, staff would strongly encourage another member or two to take the on line training. Have a backup could be beneficial in case scheduling conflicts come up next year. If no one is trained at the meeting, the City will lose the LBAE for two years again.

### **FISCAL IMPACT:**

NA

### **OPTIONS:**

- 1) Approve the attached resolution
- 2) Do not approve a resolution to establish the Local Board of Appeals and Equalization

### **RECOMMENDATION:**

If removed from the consent agenda:

*“Motion to approve Resolution No 2017-133*

### **ATTACHMENTS:**

- Resolution No. 2017-133

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-133**

A RESOLUTION OF THE CITY OF LAKE ELMO, MINNESOTA, TO ESTABLISH A LOCAL BOARD OF APPEAL AND EQUALIZATION PURSUANT TO MINNESOTA STATUTE 274.014, SUBD. 3, PARAGRAPH C.

**Whereas**, the City of Lake Elmo is authorized to serve as the local board of appeal and equalization pursuant to Minnesota Statute 274.01; and

**Whereas**, the City of Lake Elmo's powers to act as the local board of appeal and equalization were transferred to the County of Washington pursuant to Minnesota Statute 274.014, Subd. 3, paragraph a; and

**Whereas**, said statute provides for the reinstatement of the governing body of the City of Lake Elmo to serve as the local board of appeal and equalization by resolution of said City Council and upon proof of compliance with Minnesota Statute 274.014, Subd. 2:

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Lake Elmo, Minnesota, to establish the City Council as the local board of appeal and equalization pursuant to the above-referenced statutes.

APPROVED by the Lake Elmo City Council on this 5<sup>th</sup> day of December, 2017.

By: \_\_\_\_\_

Mike Pearson  
Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk



**STAFF REPORT**

**DATE: December 5, 2017**

**Consent #6**

**AGENDA ITEM:** Approve Humane Society Contract Renewal

**SUBMITTED BY:** Julie Johnson, City Clerk

---

**FISCAL IMPACT:** \$10 admin holding fee for animals that are reclaimed; impound fees \$146 per day for dogs/cats, \$44 other domestic animals.

**SUMMARY AND ACTION REQUESTED:** The City has contracted with Animal Humane Society in Woodbury for a few years for the impoundment of stray animals picked up by our animal control officer, Brittany Harmon. Staff recommends renewal of the contract with the Animal Humane Society for 2018.

**RECOMMENDATION:** If item is pulled from consent agenda, the recommendation should read.  
“Approve renewal of the contract with Animal Humane Society.”

**ATTACHMENTS:** 2018 Letter of Understanding for Impound Housing Services

November 15, 2017

City of Lake Elmo  
3800 Laverne Avenue N  
Lake Elmo, MN 55042

Dear Municipal Administrator,

As you know, Animal Humane Society partners with local cities to improve the lives and welfare of animals as well as the impact they have on people in our community. We look forward to continuing our partnership with you in 2018.

We are streamlining our billing process to better serve all cities. To make this process consistent with all municipalities and sustainable, we will no longer be able to levy fines on behalf of the city as we have been doing for a handful of cities. We will provide information so those cities can follow up with the individuals who reclaim their animals.

Two copies of your 2018 contract are enclosed. We anticipate no other changes that will impact our municipal contracts, so the language in the new agreement is consistent with the one you signed for 2017 with the exception of our billing updates. Our admin holding fee will stay at \$10 for those animals that are reclaimed and other fees will increase a standard 3%, going to \$146 per cats or dog and \$44 for other domestic animals.

If you have any questions, please feel free to contact me at the email or phone number below. We have simplified the process this year by already signing our part of the contract. Please sign both copies of the contract and return one of them to the Woodbury address below.

We appreciate your partnership as we seek to serve both the people and animals of our communities.

Sincerely,

Graham Brayshaw, DVM  
Director of Animal Services, Animal Humane Society  
[gbrayshaw@animalhumanesociety.org](mailto:gbrayshaw@animalhumanesociety.org)  
(763) 489-2224

Animal Humane Society, Woodbury  
c/o Dawn Mathews-Wilhelmy, Site Manager  
9785 Hudson Rd  
Woodbury, MN 55125

**Animal Humane Society  
and  
City of Lake Elmo, MN**

**Letter of Understanding for Impound Housing Services  
2018**

1. Animal Humane Society (AHS) agrees to provide the following services:
  - a. Housing for stray or abandoned animals that are retrieved or legally seized by your municipality's community service officer (CSO) or animal control officer (ACO), or for stray animals that are brought into the shelter by a citizen and verbal permission is given by your agency via phone for intake. Housing includes kennel space, daily cleaning, food and water.
  - b. Herd management vaccination following our standard vaccination protocols, as well as medically necessary and/or emergency care for sick or injured animals impounded during regular business hours.
  - c. Euthanasia services as deemed necessary by an AHS veterinarian. These services may be provided at the end of the legally required holding period or in the case of a medical situation that requires immediate euthanasia.
  - d. Adoption services as deemed appropriate by AHS veterinary staff. The animals will be evaluated for these services at the end of the legally required holding period.
  - e. Euthanasia services and body disposal as deemed appropriate by AHS veterinary staff. The animals will be evaluated for these services at the end of the legally required holding period.
  - f. Provide animal rabies quarantine or diagnostic service for stray felines or canines that have bitten a person.
  - g. Hold animal for the legally required stray holding period: 5 days in MN, 4 Days in WI if a live release, 7 days in WI if euthanized or until reclaimed by owner within this holding period.
  - h. AHS will follow internal policy and best practice for unclaimed animals. **The City of Lake Elmo** may request and view AHS policies at any time.
  
2. AHS expectations:
  - a. AHS is not responsible for sick or injured animals that are left after hours. Outside treatment must be sought for these animals by the animal control officer or community service officer prior to leaving the animals at the AHS facility when veterinary staff members are not on duty.
  - b. AHS has the sole authority to disposition all animals that have not been reclaimed upon the expiration of the legally designated holding period.

- c. AHS will not accept feral cats seized under municipal authority by your municipality's CSO or ACO.
- d. AHS is not responsible for collecting any fees from an owner for a municipality.

3. **The City of Lake Elmo** agrees to:

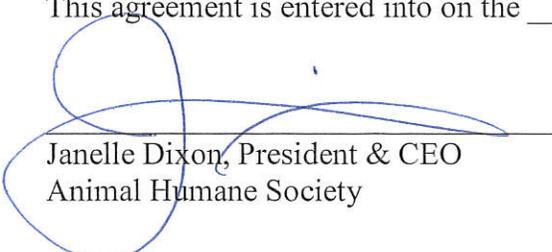
- a. Adhere to the drop off procedure set forth by AHS including animal housing at the shelter and paperwork. Drop off procedures and paperwork training for community service or animal control officers will be provided.
- b. Adhere to state laws and local ordinances that apply to the handling of stray or abandoned animals and the seizure and return of animals to their owners.
- c. Direct citizens where to take stray animals when not receiving permission for impoundment at AHS.
- d. Seek care for injured or sick animals prior to drop off in the event that it is after hours and/or AHS veterinary staff is not on duty.
- e. Pay the designated fees for each animal cared for from your municipality. AHS will charge a standard stray holding fee of \$146 per canine or feline and a \$44 fee per "other" domestic animals (rabbits, guinea pigs, birds etc.) not reclaimed by its owner. AHS will charge a \$10 administrative/processing fee to the municipality for each animal reclaimed by its owner in place of the stray holding fee. In these instances AHS will charge the owner reclaim fees. Fees for animals seized by the municipality (such as rabies quarantine) may vary due to the differing nature of their holding periods and services required.
- f. Adhere to AHS policy and best practice for unclaimed animals. **The City of Lake Elmo** may request and view AHS policies at any time.
- g. Adhere to building access rules and ensure that the service access door is closed and locked after use in an after hours drop off.
- h. Ensure that the municipality's CSO/ACO uses his/her discretion in the field as to whether or not to impound an animal. AHS is not responsible for those decisions.
- i. Be available to members of your community to resolve their concerns related to the actions of your ACO/CSO officers and your municipality's procedures, policies and requirements.
- j. Release AHS from all liability of claims resulting from or related to providing impound housing services. **The City of Lake Elmo** accepts responsibility for the CSO/ACO while in the course of impounding animals at AHS.

4. Administration

- a. AHS will bill the municipality at the end of each quarter on a fiscal calendar year. Billing will be mailed in the first month following the end of the quarter. Payment is expected within 30 days of receipt of billing.
- b. AHS will assign a contact person who should be contacted in the event of any problems, concerns or to receive feedback regarding the program.
- c. Any billing disputes must be raised within 10 days of receipt of billing.

*This agreement is based on a one year commitment, which is renewed annually from the date your administrator signs the agreement below. The agreement can be ended at anytime by either party with a 30 day notice.*

This agreement is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2018 by

  
\_\_\_\_\_  
Janelle Dixon, President & CEO  
Animal Humane Society

\_\_\_\_\_  
Signed on behalf of Municipal Authority

\_\_\_\_\_  
Printed Name and Title



## STAFF REPORT

DATE: December 5, 2017

**CONSENT**

ITEM #: 7

**AGENDA ITEM:** Wildflower 1<sup>st</sup> Addition – Accept Improvements and Approve Reduction of Security #5 and Wildflower 2<sup>nd</sup> Addition Approve Reduction of Security #1

**SUBMITTED BY:** Jack Griffin, City Engineer

**REVIEWED BY:** Kristina Handt, City Administrator  
Emily Becker, Planning Director

---

**ISSUE BEFORE COUNCIL:** Should the City Council accept the improvements and approve the security reduction for Wildflower 1<sup>st</sup> Addition? And, should the City Council approve the security reduction for Wildflower 2<sup>nd</sup> Addition?

**PROPOSAL DETAILS/ANALYSIS:** Staff has received and processed a request to accept the improvements and to reduce the development security for Wildflower 1<sup>st</sup> Addition and to reduce the development security for Wildflower 2<sup>nd</sup> Addition. These requests have been reviewed and the following reductions are being recommended:

|                             | <u>Current Security Amount</u> | <u>Proposed Security Amount</u> |
|-----------------------------|--------------------------------|---------------------------------|
| 1. Wildflower 1st Addition: | \$ 1,297,986                   | \$ 1,047,708                    |
| 2. Wildflower 2nd Addition: | \$ 787,239                     | \$ 489,121                      |

The Wildflower 1st Addition public improvements have been completed in accordance with the development agreement dated August 27, 2015 with the exception of Landscaping. The improvements are in the warranty period per the attached Certificate of Completion. A security amount of 25% of the original security will be retained until the warranty period has expired. Landscaping Improvements will be accepted separately and with different warranty dates.

**FISCAL IMPACT:** It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the City tax payers against the potential of developer default.

**RECOMMENDATION:** Staff is recommending that the City Council, *as part of the Consent Agenda*, accept the improvements and approve the security reduction for Wildflower 1<sup>st</sup> Addition, and approve the security reduction for Wildflower 2<sup>nd</sup> Addition as detailed in the respective reports. If removed from the consent agenda, the recommended motion for the action is as follows:

***“Move to accept the improvements and approve security reduction for Wildflower 1<sup>st</sup> Addition, and approve the security reduction for Wildflower 2<sup>nd</sup> Addition as detailed in the respective Security Reduction Worksheets”.***

**ATTACHMENTS:**

1. Engineers Certificate of Acceptance.
2. Security Reduction Worksheets – Wildflower 1<sup>st</sup> Addition and Wildflower 2<sup>nd</sup> Addition.

**CERTIFICATE OF COMPLETION**

---

DATE OF ISSUANCE: December 5, 2017

---

OWNER: CITY OF LAKE ELMO, MN  
DEVELOPER: ROBERT ENGSTROM COMPANIES  
SUBDIVISION  
NAME: WILDFLOWER 1<sup>ST</sup> ADDITION  
PROJECT NO.: 2014.124

---

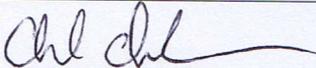
- This Certification of Completion applies to all work under the Development Agreement  
 This Certification of Completion applies to the following specified parts of the Development Agreement

Section 33.A – Public sewer and watermain  
Section 33.B – Public improvements including street construction, concrete curb and gutter, storm sewer facilities, sidewalks, trails, materials and equipment.

I do hereby certify that the work to which this Certificate applies has been constructed in accordance with the Development Agreement dated August 27, 2015. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: December 5, 2017

Chad Isakson Reg. No. 49028

  
FOCUS Engineering, inc.

---

Section 33.A Warranty Period Begins February 16, 2016 and ends February 16, 2018

Section 33.B Warranty Period Begins December 5, 2017 and ends December 5, 2018

---

WILDFLOWER AT LAKE ELMO 1ST ADDITION

Time of Performance: November 30, 2016

DEVELOPMENT AGREEMENT AMOUNTS

| CATEGORY                               | CONSTRUCTION | 125%        | REMARKS                           | REDUCTIONS |           |           |           |    |           |  |
|--|--------------|-------------|-----------------------------------|------------|-----------|-----------|-----------|----|-----------|--|
|  |              |             |                                   | #1         | #2        | #3        | #4        | #5 | #6        |  |
| Grading                                | \$116,000    | NA          | Covered by Site Grading Agreement | \$116,000  |           |           |           |    |           |  |
| Sanitary Sewer                         | \$386,885    | \$483,606   | 75%                               |            | \$241,803 | \$120,902 |           |    |           |  |
| Watermain                              | \$472,052    | \$590,065   | 75%                               |            | \$295,033 | \$147,516 |           |    |           |  |
| Streets                                | \$916,819    | \$1,146,024 | 75%                               |            | \$274,539 |           | \$584,978 |    |           |  |
| Surface Water Facilities               | \$509,946    | \$637,433   | 75%                               |            | \$318,716 |           | \$159,358 |    |           |  |
| Erosion Control                        | NA           | NA          | Covered by Site Grading Agreement |            |           |           |           |    |           |  |
| Sidewalks/Trails                       | \$220,838    | \$276,048   |                                   |            |           |           |           |    | \$207,036 |  |
| Street Lighting                        | NA           | NA          | By Xcel Energy                    |            |           |           |           |    |           |  |
| Street Signs and Traffic Control Signs | \$9,950      | \$12,438    |                                   |            |           |           |           |    | \$9,328   |  |
| Landscaping                            | \$200,000    | \$250,000   |                                   |            |           |           |           |    |           |  |
| Tree Preservation and Restoration      | \$23,675     | \$29,594    |                                   |            |           |           |           |    | \$22,195  |  |
| Wetland Mitigation and Buffers         | NA           | NA          | LOC Through VBWD                  |            |           |           |           |    |           |  |
| Monuments                              | \$6,000      | \$7,500     |                                   |            |           |           |           |    | \$5,625   |  |
| Miscellaneous Facilities               | NA           | NA          |                                   |            |           |           |           |    |           |  |
| Record Drawings                        | \$6,500      | \$8,125     |                                   |            |           |           |           |    | \$6,094   |  |

|               |                    |                    |  |                            |             |             |             |             |             |
|---------------|--------------------|--------------------|--|----------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>TOTALS</b> | <b>\$2,752,665</b> | <b>\$3,440,831</b> |  | RELEASED AMOUNTS:          | \$116,000   | \$1,130,091 | \$268,418   | \$744,337   | \$250,278   |
|               |                    |                    |  | CUMMULATIVE AMOUNTS:       | \$116,000   | \$1,246,091 | \$1,514,509 | \$2,258,846 | \$2,509,123 |
|               |                    |                    |  | SECURITY AMOUNT REMAINING: | \$3,440,831 | \$2,310,740 | \$2,042,322 | \$1,297,986 | \$1,047,708 |
|               |                    |                    |  | DATE:                      | 10/29/2015  | 12/15/2015  | 2/16/2016   | 9/7/2016    | 12/5/2017   |

WILDFLOWER AT LAKE ELMO 2ND ADDITION

Time of Performance: October 31, 2017

DEVELOPMENT AGREEMENT AMOUNTS

| CATEGORY                               | CONSTRUCTION | 125% REMARKS            | REDUCTIONS |    |    |    |    |    |  |
|--|--------------|-------------------------|------------|----|----|----|----|----|--|
|  |              |                         | #1         | #2 | #3 | #4 | #5 | #6 |  |
| Sanitary Sewer                         | \$71,020     | \$88,774 75%            | \$66,581   |    |    |    |    |    |  |
| Watermain                              | \$81,280     | \$101,600 75%           | \$76,200   |    |    |    |    |    |  |
| Streets & Sidewalks                    | \$242,331    | \$302,914 50%           | \$151,457  |    |    |    |    |    |  |
| Surface Water Facilities               | \$52,912     | \$66,140 50%            | \$33,070   |    |    |    |    |    |  |
| Erosion Control                        | \$16,533     | \$20,666                |            |    |    |    |    |    |  |
| Trails                                 | \$3,257      | \$4,071                 |            |    |    |    |    |    |  |
| Street Lighting                        | \$18,000     | \$22,500 By Xcel Energy |            |    |    |    |    |    |  |
| Street Signs and Traffic Control Signs | \$5,310      | \$6,638                 |            |    |    |    |    |    |  |
| Landscaping                            | \$40,500     | \$50,625                |            |    |    |    |    |    |  |
| Tree Preservation and Restoration      | NA           | NA                      |            |    |    |    |    |    |  |
| Wetland Mitigation and Buffers         | NA           | NA                      |            |    |    |    |    |    |  |
| Monuments                              | \$2,000      | \$2,500                 |            |    |    |    |    |    |  |
| Private Utilities                      | \$115,000    | \$143,750               |            |    |    |    |    |    |  |
| Record Drawings                        | \$5,000      | \$6,250                 |            |    |    |    |    |    |  |

|               |                  |                  |                   |           |     |     |     |     |
|---------------|------------------|------------------|-------------------|-----------|-----|-----|-----|-----|
| <b>TOTALS</b> | <b>\$653,143</b> | <b>\$816,429</b> | RELEASED AMOUNTS: | \$327,308 | \$0 | \$0 | \$0 | \$0 |
|---------------|------------------|------------------|-------------------|-----------|-----|-----|-----|-----|

|                                  |                  |                      |           |
|----------------------------------|------------------|----------------------|-----------|
| <u>Incorrect original amount</u> | <u>\$787,239</u> | CUMMULATIVE AMOUNTS: | \$327,308 |
|----------------------------------|------------------|----------------------|-----------|

SECURITY AMOUNT REMAINING: **\$489,121**

DATE: 12/5/2017



## STAFF REPORT

DATE: December 5, 2017  
CONSENT #8

**AGENDA ITEM:** Personnel Policy and FMLA Policy

**TO:** Mayor and Council

**SUBMITTED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

For the last couple years the Human Resources Committee has been working on an update to the Personnel Policy. Last year they began working from the League of MN Cities model policy. Since the union contract was approved in August, the committee finalized their recommendations in September to be reviewed by legal.

### **ISSUE BEFORE COUNCIL:**

Should the Council adopt the attached Personnel Policy and FMLA Policy to be effective January 1, 2018?

### **PROPOSAL DETAILS/ANALYSIS:**

Included in your packet is the draft policy which was worked on by the Human Resources Committee following the 2016 League of MN Cities model policy. The draft has been updated since the Council review at the November 14, 2017 work session to reflect the IRS per diem rates for meal reimbursement. Also, as discussed at the work session, staff is proposing the effective date of the policies be January 1, 2018 to ease in the transition.

The Personnel Policy includes information on handling media requests; citywide work rules and code of conduct; employee recruitment and selection; hours of work; compensation; performance reviews; benefits; holidays; leaves of absence; sexual harassment prevention; respectful workplace policy; separation from service; discipline; grievance procedure; employee education and training; outside employment; city driving policy; cell phone use; and safety issues.

Whenever possible, the draft mirrors what is included in the union agreement, i.e. holidays, funeral leave, PTO.

### **FISCAL IMPACT:**

NA

### **OPTIONS:**

- 1) Approve the attached Personnel Policy and FMLA Policy Effective 1/1/18
- 2) Amend and then approve the attached Personnel Policy and FMLA Policy Effective 1/1/18
- 3) Do not update the Personnel Policy and FMLA Policy

**RECOMMENDATION:**

If removed from the consent agenda:

***“Motion to approve the attached Personnel Policy and FMLA Policy effective 1/1/18.”***

**ATTACHMENT:**

- Personnel Policy, effective 1/1/18
- FMLA Policy, effective 1/1/18



HUMAN RESOURCES & BENEFITS INFORMATION  
**PERSONNEL POLICY**  
*Effective January 1, 2018*

## **INTRODUCTION**

### **Purpose**

This handbook provides information to you, as an employee of the City of Lake Elmo, about certain terms and conditions of your employment. It is not, and should not be considered, an employment contract. Your continued employment, and the conditions of the employment, is solely within the discretion of the City of Lake Elmo. The handbook summarizes major policies and programs related to your employment. Additional information about many of these policies and programs is available from the city's Administration office. Please take advantage of those resources to assure that you are fully aware of your rights and responsibilities as an employee of the City of Lake Elmo.

Except as otherwise prohibited by law, the City of Lake Elmo has the right to terminate any employee at any time for any or no reason. Employees may similarly terminate employment at any time for any reason.

### **Scope**

These policies apply to all employees of the city, unless covered in a collective bargaining agreement. Except where specifically noted, these policies do not apply to:

1. Elected officials
2. City attorney
3. Members of city boards, commissions, and committees
4. Consultants and contractors
5. Volunteers, except as specifically noted for paid-per-call firefighters.

If any specific provisions of the personnel policies conflict with any current union agreement or civil service rules, the union agreement or civil service rules will prevail. Union employees are encouraged to consult their collective bargaining agreement first for information about their employment conditions. Nothing in these policies is intended to modify or supersede any applicable provision of state or federal law.

These policies serve as an information guide to help employees become better informed and to make their experience with the city more rewarding. Departments and other classes of employees may have special work rules deemed necessary by the supervisor and approved by the city administrator for the achievement of objectives of that department. Each employee will be given a copy of such work rules by the department upon hiring and such rules will be further explained and enforcement discussed with the employee by the immediate supervisor.

## **DEFINITIONS**

For purposes of these policies, the following definitions will apply:

### **Authorized Hours**

The number of hours an employee was hired to work. Actual hours worked during any given pay period may be different than authorized hours, depending on workload demands or other factors, and upon approval of the employee's supervisor.

### **Benefits**

Privileges granted to qualified employees in the form of paid leave and/or insurance coverage.

### **Demotion**

The movement of an employee from one job class to another within the city, where the maximum salary for the new position is lower than that of the employee's former position.

### **Direct Deposit**

As permitted by state law, all city employees are required to participate in direct deposit.

### **Employee**

An individual who has successfully completed all stages of the selection process, including the probationary period.

### **Exempt Employee**

Employees who are not covered by the overtime provisions of the federal or state Fair Labor Standards Act.

### **FICA (Federal Insurance Contributions Act)**

FICA is the federal requirement that a certain amount be automatically withheld from employees' earnings. Specifically, FICA requires an employee contribution of 6.2 percent for Social Security and 1.45 percent for Medicare. The city contributes a matching 7.65 percent on behalf of each employee. Certain employees are exempt or partially exempt from these withholdings (e.g., police officers).

**Fiscal Year**

The period from Jan. 1 to Dec. 31.

**Full-Time Employee**

Employees who are required to work forty (40) or more hours per week year-round in an ongoing position.

**Hours of Operation**

The city's regular hours of operation are Monday through Friday, from 8 a.m. to 4:30 p.m.

**Immediate Family**

The employee's spouse, and the children, grandchildren, parents, grandparents, brothers and sisters, of the employee and the employee's spouse, including all step relations.

**Management Employee**

An employee who is responsible for managing a department or division of the city.

**Non-Exempt Employee**

Employees who are covered by the federal or state Fair Labor Standards Act. Such employees are normally eligible for overtime at 1.5 times their regular hourly wage for all hours worked over forty (40) in any given workweek.

**Part-Time Employee**

Employees who are required to work less than forty (40) hours per week year-round in an ongoing position.

**Pay Period**

A fourteen (14) day period beginning at 12:01 a.m. on Saturday through midnight on Friday, fourteen (14) days later.

**PERA (Public Employees Retirement Association)**

Statewide pension program in which all city employees meeting program requirements must participate in accordance with Minnesota law. The city and the employee each contribute to the employee's retirement account.

**Promotion**

Movement of an employee from one job class to another within the city, where the maximum salary for the new position is higher than that of the employee's former position

**Reclassify**

Movement of a job from one classification to another classification because of a significant change in the position's duties and responsibilities

**Seasonal Employee**

Employees who work only part of the year (67 days or less) to conduct seasonal work. Seasonal employees may be assigned to work a full-time or part-time schedule. Seasonal employees do not earn benefits or credit for seniority.

**Service Credit**

Time worked for the city. An employee begins earning service credit on the first day worked for the city. Some forms of leave will create a break in service.

**Temporary Employee**

Employees who work in positions that have a defined start and end date or are for the duration of a specific project. Temporary employees may be assigned to work a full-time or part-time schedule. Temporary employees do not earn benefits or credit for seniority.

**Probationary Period**

A six-month period at the start of employment with the city (or at the beginning of a promotion, reassignment, or transfer) that is designated as a period within which to learn the job, unless covered by a collective bargaining agreement stating a different time frame. The probationary period is an integral extension of the city's selection process and is used by supervisors for closely observing an employee's work. An employee serving his/her initial probationary period may be disciplined at the sole discretion of the City, up to and including dismissal. An employee so disciplined, including dismissal, will not have any grievance rights.

Nothing in this policy handbook shall be construed to imply that during or after completion of the probationary period, an employee has any vested interest or property right to continued City employment.

Time served in temporary, seasonal, volunteer or interim positions are not considered part of the probationary period. If an emergency arises during an employee's probationary period which requires a leave of absence, such time off, if granted, will not be considered as time worked, and the probationary period will be extended by the length of time taken.

**Transfer**

Movement of an employee from one city position to another of equivalent pay.

**Weapons**

Weapons are defined to include all legal or illegal firearms, switchblade knives, or any other object that has been modified to serve as a weapon or that has the primary purpose of serving as a weapon.

### **Workweek**

A workweek is seven consecutive 24-hour periods. For most employees the workweek will run from Saturday through the following Friday. With the approval of the city administrator, departments may establish a different workweek based on coverage and service delivery needs (e.g., police department, fire department, park and recreation department).

### **EEO Policy Statement**

The City of Lake Elmo is committed to providing equal opportunity in all areas of employment, including but not limited to recruitment, hiring, demotion, promotion, transfer, recruitment, selection, lay-off, disciplinary action, termination, compensation and selection for training. The City of Lake Elmo will not discriminate against any employee or job applicant on the basis of race, color, creed, religion, national origin, ancestry, sex, sexual orientation, gender identity, or gender expression, disability, age, marital status, genetic information, status with regard to public assistance, veteran status, familial status, or membership on a local human rights commission or lawful participation in the Minnesota Medical Cannabis Patient Registry.

### **Data Practices Advisory**

Employee records are maintained in a location designated by the city administrator. Personnel data is retained in personnel files, finance files, and benefit/medical files. Information is used to administer employee salary and benefit programs, process payroll, complete state and federal reports, document employee performance, etc.

Employees have the right to know what data is retained, where it is kept, and how it is used. All employee data will be received, retained, and disseminated according to the Minnesota Government Data Practices Act.

### **Media Requests**

All city employees have a responsibility to help communicate accurate and timely information to the public in a professional manner. Requests for private data or information outside of the scope of an individual's job duties should be routed to the appropriate department or to the data practices authority.

Any employee who identifies a mistake in reporting should bring the error to the city administrator or other appropriate staff. Regardless of whether the communication is in the employee's official city role or in a personal capacity, employees must comply with all laws related to trademark, copyright, software use, etc.

All requests for interviews or information from the media are to be routed through the city administrator. No city employee is authorized to speak on behalf of the city without prior authorization from the city administrator or his/her designee. Media requests include anything intended to be published or viewable to others in some form such as television, radio, newspapers, newsletters, social media postings, and websites. When responding to media requests, employees should follow these steps:

1. If the request is for routine or public information (such as a meeting time or agenda), provide the information and notify the city administrator of the request.
2. If the request is regarding information about city personnel, potential litigation, controversial issues, an opinion on a city matter, or if an employee is unsure if the request is a “routine” question, forward the request to the city administrator. An appropriate response would be, “I’m sorry, I don’t have the full information regarding that issue. Let me take some basic information and submit your request to the appropriate person, who will get back to you as soon as he/she can.” Then ask the media representative’s name, questions, deadline, and contact information.

All news releases concerning city personnel will be the responsibility of the city administrator or his/her designee.

When/if the city administrator authorizes a staff person to communicate on behalf of the city in interviews, publications, news releases, on social media sites, and related communications, employees must:

- Identify themselves as representing the city. Account names on social media sites must be clearly connected to the city and approved by the city administrator.
- Be respectful, professional, and truthful when providing information. In most cases, only factual information (not opinions or editorial comments) should be provided: “The city finished street cleaning on 16 streets in the northwest corner of the city this past week” instead of “The city is doing a great job with street cleaning this year!” Corrections must be issued when needed.
- Generally do not include personal opinions in official city statements. One exception is communications related to promoting a city service. For example, an employee could post the following on the city’s Facebook page: “My family visited Hill Park this weekend and really enjoyed the new band shelter.” Employees who have been approved to use social media sites on behalf of the city should seek assistance from the city administrator on this topic.
- Notify the city administrator if they will be using their personal technology (cell phones, home computer, cameras, etc.) for city business. Employees should be aware that the data transmitted or stored may be subject to the Minnesota Government Data Practices Act.

## **Personal Communications and Use of Social Media**

It is important for city employees to remember that the personal communications of employees may reflect on the city, especially if employees are commenting on city

business. The following guidelines apply to personal communications, including various forms such as social media (Facebook, Twitter, blogs, YouTube, etc.), letters to the editor of newspapers, and personal endorsements:

- Remember that what you write or post is public, and will be so for a long time. It may also be spread to large audiences. Use common sense when using email or social media sites. It is a good idea to refrain from sending or posting information or photos that you would not want your boss or other employees to read, or that you would be embarrassed to see in the newspaper. Keep in mind harassment, bullying, threats of violence, discrimination, or retaliation that would not be permissible in the workplace is not permissible between co-workers online, even if it is done after hours, from home and on home computers.
- The City of Lake Elmo expects its employees to be fair, courteous, and respectful to supervisors, co-workers, citizens, customers, and other persons associated with the city. Avoid using statements, photographs, video or audio that can be reasonably viewed as malicious, obscene, threatening or intimidating, disparaging, or might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of sex, race, national origin, age, color, creed, religion, disability, marital status, familial status, veteran status, sexual orientation, gender identity, or gender expression, status with regard to public assistance or membership or activity in a local commission.
- If you publish something related to city business, identify yourself and use a disclaimer such as, "I am an employee of the City of Lake Elmo. However, these are my own opinions and do not represent those of the City of Lake Elmo."
- City resources, working time, or official city positions cannot be used for personal profit or business interests, or to participate in personal political activity. Some examples: a building inspector could not use the city's logo, email, or working time to promote his/her side business as a plumber; a parks employee should not access a park after hours even though he or she may have a key; a clerk, while working at City Hall, should not campaign for a friend who is running for City Council.
- Personal social media account name or email names should not be tied to the city (e.g., Lake Elmo Cop).

## **CITYWIDE WORK RULES & CODE OF CONDUCT**

### **Conduct as a City Employee**

In accepting city employment, employees become representatives of the city and are responsible for assisting and serving the citizens for whom they work. An employee's primary responsibility is to serve the residents of Lake Elmo. Employees should exhibit conduct that is ethical, professional, responsive, and of standards becoming of a city employee. To achieve this goal, employees must adhere to established policies, rules, and procedures and follow the instructions of their supervisors.

The following are job requirements for every position at the City of Lake Elmo. All employees are expected to:

- Perform assigned duties to the best of their ability at all times.
- Render prompt and courteous service to the public at all times.
- Read, understand, and comply with the rules and regulations as set forth in these personnel policies as well as those of their departments.
- Conduct themselves professionally toward both residents and staff and respond to inquiries and information requests with patience and every possible courtesy.
- Report any and all unsafe conditions to the immediate supervisor.
- Maintain good attendance while meeting the goals set by your supervisor.

### **Attendance & Absence**

The operations and standards of service in the City of Lake Elmo require that employees be at work unless valid reasons warrant absence or an employee has a position that has been approved to work remotely. In order for a team to function efficiently and effectively, employees must fully understand the goals that have been set for them and the time that is required to be on the job. Understanding attendance requirements is an essential function of every city position.

Employees who are going to be absent from work are required to notify their supervisor as soon as possible in advance of the absence. In case of an unexpected absence, employees should call their supervisor before the scheduled starting time and keep in mind the following procedures:

- If the supervisor is not available at the time, the employee should leave a message that includes a telephone number where he/she can be reached and/or contact any other individual who was designated by the supervisor.
- Failure to use the established reporting process will be grounds for disciplinary action.
- The employee must call the supervisor on each day of an absence extending beyond one (1) day unless arrangements otherwise have been made with the supervisor.
- Employees who are absent for three (3) days or more and who do not report the absence in accordance with this policy, will be considered to have voluntarily resigned not in good standing.
- The city may waive this rule if extenuating circumstances warranted such behavior.

This policy does not preclude the city from administering discipline for unexcused absences of less than three (3) days. Individual departments may establish more specific reporting procedures.

For budgetary and confidentiality reasons, non-exempt employees (eligible for overtime pay) are not authorized to take work home or work through lunch without prior approval from their supervisor.

## **Access to and Use of City Property**

Any employee who has authorized possession of keys, tools, cell phones, pagers, or other city-owned equipment must register his/her name and the serial number (if applicable) or identifying information about the equipment with his/her supervisor.

All such equipment must be turned in and accounted for by any employee leaving employment with the city in order to resign in good standing.

Employees are responsible for the safekeeping and care of all such equipment. The duplication of keys owned by the city is prohibited unless authorized by the city administrator. Any employee found having an unauthorized duplicate key will be subject to disciplinary action.

## **Appearance**

Departments may establish dress codes for employees as part of departmental rules. Personal appearance should be appropriate to the nature of the work and contacts with other people and should present a positive image to the public. Clothing, jewelry, or other items that could present a safety hazard are not acceptable in the workplace. Dress needs vary by function. Employees who spend a portion of the day in the field need to dress in a professional manner appropriate to their jobs, as determined by their supervisor. Employees may dress in accordance with their gender identity, within the constraints of the dress codes adopted by the city. City staff shall not enforce the city's dress code more strictly against transgender and gender diverse employees than other employees.

## **Conflict of Interest**

City employees are to remove themselves from situations in which they would have to take action or make a decision where that action or decision could be a perceived or actual conflict of interest or could result in a personal benefit for themselves or a family member. If an employee has any question about whether such a conflict exists, he/she should consult with the city administrator.

## **Falsification of Records**

Any employee who makes false statements or commits, or attempts to commit, fraud in an effort to prevent the impartial application of these policies will be subject to immediate disciplinary action up to and including termination and potential criminal prosecution.

## **Personal Telephone Calls**

Personal telephone calls are not to interfere with city work and are to be completed as quickly as possible. Any personal long distance call costs will be paid for by the employee. Please refer to the cell phone policy for information on use of cellular phones.

## **Political Activity**

City employees have the right to express their views and to pursue legitimate involvement in the political system. However, no city employee will directly or indirectly, during hours of employment, solicit or receive funds for political purposes. Further, any political activity in the workplace must be pre-approved by the city to avoid any conflict of interest or perception of bias such as using authority or political influence to compel another employee to apply for or become a member in a political organization.

### **Smoking**

The City of Lake Elmo observes and supports the Minnesota Clean Indoor Air Act. All city buildings and vehicles, in their entirety, shall be designated as tobacco free, meaning that smoking in any form (through the use of tobacco products such as pipes, cigars, and cigarettes) or “vaping” with e-cigarettes is prohibited while in a city facility or vehicle.

Smoking of any kind, including pipes, cigars, cigarettes, vaping with e-cigarettes, and the use of chewing tobacco, is prohibited for employees while on duty. Employees 18 and over are allowed to smoke only during their breaks and lunch, and only in areas designated for that purpose.

## **EMPLOYEE RECRUITMENT & SELECTION**

### **Scope**

The city administrator or a designee will manage the hiring process for positions within the city. While the hiring process may be coordinated by staff, the City Council is responsible for the final hiring decision and must approve all hires to city employment. All hires will be made according to merit and fitness related to the position being filled.

### **Features of the Recruitment System**

The city administrator or designee will determine if a vacancy will be filled through an open recruitment or by promotion, transfer, or some other method. This determination will be made on a case-by-case basis. The majority of position vacancies will be filled through an open recruitment process.

Application for employment will generally be made by application forms provided by the city. Other materials in lieu of a formal application may be accepted in certain recruitment situations as determined by the city administrator or designee. Supplemental questionnaires may be required in certain situations. All candidates must complete and submit the required application materials by the posted deadline, in order to be considered for the position.

The deadline for application may be extended by the city administrator. Unsolicited applications will not be kept on file.

Position vacancies may be filled on an “acting” basis as needed. The City Council will approve all acting appointments. Pay rate adjustments, if any, will be determined by the City Council.

### **Testing and Examinations**

Applicant qualifications will be evaluated in one or more of the following ways: training and experience rating; written test; oral test or interview; performance or demonstrative test; physical agility test; or other appropriate job-related exam. For example:

- Keyboarding exercises for data entry positions.
- Writing exercises for positions requiring writing as part of the job duties.
- “In-basket” exercise for an administrative support position (sets up real-life scenarios and items that would likely be given to the position for action, and asks the candidate to list and prioritize the steps they would take to complete the tasks).
- Mock presentation to the City Council for a planning director position, for example.

Internal recruitments will be open to any city employee who: (1) has successfully completed the initial probationary period; (2) meets the minimum qualifications for the vacant position; and (3) is currently in good standing with the city.

The City Council or designee will establish minimum qualifications for each position with input from the appropriate supervisor. To be eligible to participate in the selection process, a candidate must meet the minimum qualifications.

### **Pre-Employment Medical Exams**

The city administrator or designee may determine that a pre-employment medical examination, which may include a psychological evaluation, is necessary to determine fitness to perform the essential functions of any city position. Where a medical examination is required, an offer of employment is contingent upon successful completion of the medical exam.

When a pre-employment medical exam is required, it will be required of all candidates who are finalists and who are offered employment for a given job class. Information obtained from the medical exam will be treated as confidential medical records.

When required, the medical exam will be conducted by a licensed physician designated by the city with the cost of the exam paid by the city. (Psychological/psychiatric exams will be conducted by a licensed psychologist or psychiatrist). The physician will notify the city administrator or designee that a candidate either is or isn’t medically able to perform the essential functions of the job, with or without accommodations, and whether the candidate passed a drug test, if applicable. If the candidate requires accommodation to perform one or more of the essential functions of the job, the city administrator or designee will confer with the physician and candidate regarding reasonable and acceptable accommodations. If

a candidate is rejected for employment based on the results of the medical exam, he/she will be notified of this determination.

### **Selection Process**

The selection process will be a cooperative effort between the city administrator or designee and the hiring supervisor, subject to final hiring approval of the City Council. Any, all, or none of the candidates may be interviewed.

The process for hiring seasonal and temporary employees may be delegated to the appropriate supervisor with each hire subject to City Council approval. Except where prohibited by law, seasonal and temporary employees may be terminated by the supervisor at any time, subject to City Council approval.

The city has the right to make the final hiring decision based on qualifications, abilities, experience and City of Lake Elmo's needs.

### **Background Checks**

All finalists for employment with the city will be subject to a background check to confirm information submitted as part of application materials and to assist in determining the candidate's suitability for the position. Except where already defined by state law, the city administrator will determine the level of background check to be conducted based on the position being filled.

### **Probationary Period**

The probationary period is an integral part of the selection process and will be used for the purpose of closely observing the employee's work and for training the employee in work expectations. Training periods apply to new hires, transfers, promotions, and rehires. Probationary periods are six months in duration, but may be extended by, for example, an unpaid leave of absence.

Prior to completion of this orientation period, employees may be dismissed with or without cause by written notice.

All promotions, transfers, and reappointments will be subject to a six (6) month probationary period. During this probationary period employees will continue to be considered regular full-time employees, will accrue seniority and will be protected in discharge procedure as other regular full-time employees.

Successful completion of this probationary period does not guarantee continued employment with the City or change the at-will status of your employment.

## **ORGANIZATION**

### **Job Descriptions**

The city will maintain job descriptions for each regular position. New positions will be developed as needed but must be approved by the City Council prior to the position being filled.

A job description is prepared for each position within the city. Each job description will include: position title, department, supervisor's title, FLSA status (exempt or non-exempt), primary objective of the position, essential functions of the position, examples of performance criteria, minimum requirements, desirable training and experience, supervisory responsibilities (if any), and extent of supervisory direction or guidance provided to position. In addition, job descriptions may also describe the benefits offered and potential career path opportunities as a means to entice a qualified pool of applicants. Good attendance and compliance with work rules and policies are essential functions of all city positions.

Prior to posting a vacant position the existing job description is reviewed by the city administrator or designee and the hiring supervisor to ensure the job description is an accurate reflection of the position and that the stated job qualifications do not present artificial barriers to employment. All postings are approved by the City Council.

A current job description is provided to each new employee. Supervisors are responsible for revising job descriptions as necessary to ensure that the position's duties and responsibilities are accurately reflected. All revisions are reviewed and must be approved by the city administrator.

### **Assigning and Scheduling Work**

Assignment of work duties and scheduling work is the responsibility of the supervisor subject to the approval of the city administrator.

### **Job Descriptions and Classifications**

Assignment of job titles, establishment of minimum qualifications, and the maintenance of job descriptions and related records is the responsibility of the city administrator.

### **Layoff**

In the event it becomes necessary to reduce personnel, temporary employees and those serving a probationary period in affected job classes will be terminated from employment with the city before other employees in those job classes. Within these groups, the selection of employees to be retained will be based on merit and ability as determined by the city administrator, subject to approval of the City Council. When all other considerations are equal, the principle of seniority will apply in layoffs and recall from layoffs.

## **HOURS OF WORK**

### **Work Hours**

Employee work schedules and opportunities to work remotely will be established by supervisors with the approval of the city administrator. The regular workweek for employees is five eight-hour days in addition to a lunch period, Monday through Friday, except as otherwise approved by the city administrator in accordance with the customs and needs of the individual departments.

Part-time, seasonal, and temporary positions: In order to comply with law while avoiding penalties, part-time employees will be scheduled with business needs and in a manner that ensures positions retain part-time status as intended.. All shifts, including schedule trades or picked-up shifts, must be pre-approved by supervisor. Unpaid furloughs may be imposed on employees who exceed 28 hours/week. Working a shift without prior approval may result in discipline, up to and including termination of employment.

### **Core Hours**

To ensure employee availability and accountability to the public the city serves, all full-time employees (exempt and non-exempt) are to be at work or available to the public and co-workers during the city's business hours, Monday through Friday, unless away from the work site for a work-related activity or on approved leave.

### **Meal Breaks and Rest Periods**

A paid fifteen (15) minute break is allowed within each four (4) consecutive hours of work. An unpaid thirty (30) minute lunch period is provided when an employee works eight (8) or more consecutive hours. Employees are expected to use these breaks as intended and will not be permitted to adjust work start time, end time, or lunch time by saving these breaks.

Departments with unique job or coverage requirements may have additional rules, issued by the supervisor and subject to approval of the city administrator, on the use of meal breaks and rest periods.

### **Adverse Weather Conditions**

City facilities will generally be open during adverse weather. Due to individual circumstances, each employee will have to evaluate the weather and road conditions in deciding to report to work (or leave early). Employees not reporting to work for reasons of personal safety will not normally have their pay reduced as a result of this absence. Employees will be allowed to use accrued paid time off or compensatory time, or with supervisor approval, may modify the work schedule or make other reasonable schedule adjustments.

Sworn police officers and public works maintenance employees will generally be required to report to work regardless of conditions.

Decisions to cancel departmental programs (special events, recreation programs, etc.) will be made by the respective supervisor or the city administrator.

## **COMPENSATION**

Full-time employees of the city will be compensated as determined by the City Council. Unless approved by the Council, employees will not receive any amount from the city in addition to the pay authorized for the positions to which they have been appointed. Expense reimbursement for travel expenses may be authorized in addition to regular pay.

Compensation for seasonal and temporary employees will be set by the City Council at the time of hire, or on an annual basis.

Under the Minnesota Wage Disclosure Protection Law, employees have the right to tell any person the amount of their own wages. While the Minnesota Government Data Practices Act (Minn. Stat. §13.43), specifically lists an employee's actual gross salary and salary range as public personnel data, Minnesota law also requires wage disclosure protection rights and remedies to be included in employer personnel handbooks. To that end, and in accordance with Minn. Stat. §181.172, employers may not:

- Require nondisclosure by an employee of his or her wages as a condition of employment.
- Require an employee to sign a waiver or other document which purports to deny an employee the right to disclose the employee's wages.
- Take any adverse employment action against an employee for disclosing the employee's own wages or discussing another employee's wages which have been disclosed voluntarily.
- Retaliate against an employee for asserting rights or remedies under Minn. Stat. §181.172, subd. 3.

The city cannot retaliate against an employee for disclosing his/her own wages. An employee's remedies under the Wage Disclosure Protection Law are to bring a civil action against the city and/or file a complaint with the Minnesota Department of Labor and Industry at (651) 284-5070 or (800) 342-5354.

## **Direct Deposit**

As provided for in Minnesota law, all employees are required to participate in direct deposit. Employees are responsible for notifying the HR Director of any change in status, including changes in address, phone number, names of beneficiaries, marital status, etc. When paydays fall on a holiday, deposits will be made the day before the holiday.

## **Time Reporting**

Full-time, non-exempt employees are expected to work the number of hours per week as established for their position. In most cases, this will be 40 hours per workweek. They will be paid according to the time reported on their time sheets. To comply with the provisions of the federal and state Fair Labor Standards Acts, hours worked and any leave time used by non-exempt employees are to be recorded daily and submitted to payroll on a bi-weekly

basis. Each time reporting form must include the signature of the employee and immediate supervisor. Reporting false information on a time sheet may be cause for immediate termination.

### **Overtime / Compensatory Time**

The City of Lake Elmo has established this overtime policy to comply with applicable state and federal laws governing accrual and use of overtime. The city administrator will determine whether each employee is designated as “exempt” or “non-exempt” from earning overtime. In general, employees in executive and professional job classes are exempt; all others are non-exempt.

### **Non-Exempt (Overtime-Eligible) Employees**

All overtime-eligible employees will be compensated at the rate of time-and-one-half for all hours worked over 40 in one workweek. Paid holidays do count toward “hours worked.” Compensation will take the form of either time-and-one-half pay or compensatory time as determined by the employee. Compensatory time is paid time off at the rate of one-and-one-half hours off for each hour of overtime worked.

For most employees the workweek begins at 12:01 a.m. on Saturday and runs until the following Friday night at midnight. Supervisors may establish a different workweek based on the needs of the department, subject to the approval of the city administrator.

The employee’s supervisor must approve overtime hours in advance. An employee who works overtime without prior approval may be subject to disciplinary action.

Overtime earned will be paid at the rate of time-and-one-half on the next regularly scheduled payroll date, unless the employee indicates on his/her timesheet that the overtime earned is to be recorded as compensatory time in lieu of payment.

The maximum compensatory time accumulation for any employee is 40 hours per year. Once an employee has earned 40 hours of compensatory time in a calendar year, no further compensatory time may accrue in that calendar year. All further overtime will be paid. Employees may request and use compensatory time off in the same manner as other leave requests.

All compensatory time will be marked as such on official time sheets, both when it is earned and when it is used. The Finance Department will maintain compensatory time records. All compensatory time accrued will be paid when the employee leaves city employment at the hourly pay rate the employee is earning at that time.

### **Exempt (Non-Overtime-Eligible) Employees**

Exempt employees are expected to work the hours necessary to meet the performance expectations outlined by their supervisors. Generally, to meet these expectations, and for

reasons of public accountancy, an exempt employee will need to work 40 or more hours per week. Exempt employees do not receive extra pay for the hours worked over 40 in one workweek.

Exempt employees are paid on a salary basis. This means they receive a predetermined amount of pay each pay period and are not paid by the hour. Their pay does not vary based on the quality or quantity of work performed, and they receive their full weekly salary for any week in which any work is performed.

The City of Lake Elmo will only make deductions from the weekly salary of an exempt employee in the following situations:

- The employee is in a position that does not earn vacation or personal leave and is absent for a day or more for personal reasons other than sickness or accident.
- The employee is in a position that earns sick leave, receives a short-term disability benefit or workers' compensation wage loss benefits, and is absent for a full day due to sickness or disability, but he/she is either not yet qualified to use the paid leave or he/she has exhausted all of his/her paid leave.
- The employee is absent for a full workweek and, for whatever reason, the absence is not charged to paid leave (for example, a situation where the employee has exhausted all of his/her paid leave or a situation where the employee does not earn paid leave).
- The very first workweek or the very last workweek of employment with the city in which the employee does not work a full week. In this case, the city will prorate the employee's salary based on the time actually worked.
- The employee is in a position that earns paid leave and is absent for a partial day due to personal reasons, illness, or injury, but:
  - Paid leave has not been requested or has been denied.
  - Paid leave is exhausted.
  - The employee has specifically requested unpaid leave.
- The employee is suspended without pay for a full day or more for disciplinary reasons for violations of any written policy that is applied to all employees.
- The employee takes unpaid leave under the FMLA.
- The City of Lake Elmo may for budgetary reasons implement a voluntary or involuntary unpaid leave program and, under this program, make deductions from the salary of an exempt employee. In this case, the employee will be treated as non-exempt for any workweek in which the budget-related deductions are made.

The City of Lake Elmo will not make deductions from pay due to exempt employees being absent for jury duty or attendance as a witness but will require the employee to pay back to the city any amounts received by the employee as jury fees or witness fees.

If the city inadvertently makes an improper deduction to the salary of an exempt employee, the city will reimburse the employee and make appropriate changes to comply in the future.

All employees, in all departments, are required to work overtime as requested by their supervisors as a condition of continued employment. Refusal to work overtime may result in disciplinary action. Supervisors will make reasonable efforts to balance the personal needs of their employees when assigning overtime work.

### **Leave Policy for Exempt Employees**

Exempt employees are required to work the number of hours necessary to fulfill their responsibilities including evening meetings and/or on-call hours. The normal hours of business for exempt staff are Monday through Friday, 8 a.m. to 4:30 p.m., plus evening meetings as necessary.

Exempt employees are required to use paid leave when on personal business or away from the office for four (4) hours or more, on a given day.

Absences of less than four (4) hours do not require use of paid leave as it is presumed that the staff member regularly puts in work hours above and beyond the normal 8 a.m. to 4:30 p.m. Monday through Friday requirement. Exempt employees must communicate their absence to the city administrator or his/her designee.

If an exempt employee is regularly absent from work under this policy and it is found that there is excessive time away from work that is not justified, the situation will be handled as a performance issue.

If it appears that less than forty (40) hours per week is needed to fulfill the position's responsibilities, the position will be reviewed to determine whether a part-time position will meet the needs of the city. Additional notification and approval requirements may be adopted by the city administrator for specific situations as determined necessary.

### **PERFORMANCE REVIEWS**

An objective performance review system will be established by the city administrator or designee for the purpose of periodically evaluating the performance of city employees. The quality of an employee's past performance will be considered in personnel decisions such as promotions, transfers, demotions, terminations and, where applicable, salary adjustments.

Performance reviews will be discussed with the employee. While certain components of a performance evaluation, such as disputed facts reported to be incomplete or inaccurate are

challengeable, other performance evaluation data, including subjective assessments, are not. For those parts of the performance evaluation system deemed not challengeable, an employee may submit a written response, which will be attached to the performance review. Performance reviews are to be scheduled on a regular basis, at least annually. The form, with all required signatures, will be retained as part of the employee's personnel file.

During the probationary period, informal performance meetings should occur between the supervisor and the employee. Conducting these informal performance meetings provides both the supervisor and the employee the opportunity to discuss what is expected, what is going well and not so well.

Signing of the performance review document by the employee acknowledges the review has been discussed with the supervisor and does not necessarily constitute agreement. Failure to sign the document by the employee will not delay processing.

## **BENEFITS**

### **Health, Dental, Life and Disability Insurance**

The city will contribute a monthly amount toward group health, dental, life and disability insurance benefits for each eligible employee and his/her dependents. An employee working 30 hours or more per week is eligible to receive benefits. Employees working 30-39 hours per week will receive pro-rated benefits. Waiting periods will apply as determined by the plan.

The city makes a competitive monthly contribution toward group health, dental, and life insurance benefits. Cost sharing is determined by Resolution of the City Council. Employees are encouraged to look closely at this contribution as part of their overall compensation package with the city.

In accordance with federal health care reform laws and regulations, while avoiding penalties, the city will offer health insurance benefits to eligible employees and their dependents that work on average or are expected to work 30 or more hours per week or the equivalent of 130 hours or more per month.

The amount to be contributed and the type of coverage will be determined annually by the City Council. For information about coverage and eligibility requirements, employees should refer to the summary plan description or contact the HR Director.

### **Retirement/PERA**

The city participates in the Public Employees Retirement Association (PERA) to provide pension benefits for its eligible employees to help plan for a successful and secure retirement. Participation in PERA is mandatory for most employees, and contributions into PERA begin immediately. The city and the employee contribute to PERA each pay period

as determined by state law. Most employees are also required to contribute a portion of each pay check for Social Security and Medicare (the city matches the employee's Social Security and Medicare withholding). For information about PERA eligibility and contribution requirements, contact the HR Director.

## **HOLIDAYS**

The city observes the following official holidays for all regular full-time and part-time employees:

|                             |                           |
|-----------------------------|---------------------------|
| New Year's Day              | Columbus Day              |
| Martin Luther King, Jr. Day | Veterans Day              |
| Presidents Day              | Thanksgiving Day          |
| Memorial Day                | Friday after Thanksgiving |
| Independence Day            | Christmas Eve             |
| Labor Day                   | Christmas Day             |

Official holidays commence at the beginning of the first shift of the day on which the holiday is observed and continue for twenty-four (24) hours thereafter.

When a holiday falls on a Sunday, the following Monday will be the "observed" holiday and when a holiday falls on a Saturday, the preceding Friday will be the "observed" holiday for city operations/facilities that are closed on holidays.

Full-time employees will receive pay for official holidays at their normal straight time rates, provided they are on paid status on the last scheduled day prior to the holiday and first scheduled day immediately after the holiday. Part-time employees will receive prorated holiday pay based on the number of hours normally scheduled. Any employee on a leave of absence without pay from the city is not eligible for holiday pay.

Premium pay of 1.5 times the regular hourly wage for employees required to work on a holiday will be for hours worked on the "actual" holiday as opposed to the "observed" holiday.

Employees wanting to observe holidays other than those officially observed by the city may request either vacation leave or unpaid leave for such time off.

## **LEAVES OF ABSENCE**

Depending upon an employee's situation, more than one form of leave may apply during the same period of time (e.g., the Family and Medical Leave Act is likely to apply during a workers' compensation absence). An employee will need to meet the requirements of each form of leave separately. Leave requests will be evaluated on a case-by-case basis.

Except as otherwise stated, all paid time off, taken under any of the city’s leave programs, must be taken consecutively, with no intervening unpaid leave. The city will provide employees with time away from work as required by state or federal statutes, if there are requirements for such time off that are not described in the personnel policies.

**Funeral Leave**

Employees will be permitted to use up to three (3) consecutive working days, with pay, as funeral leave upon the death of an immediate family member and one (1) day for other family. This paid leave will not be deducted from the employee’s paid time off balance.

The actual amount of time off, and funeral leave approved, will be determined by the supervisor or city administrator depending on individual circumstances (such as the closeness of the relative, arrangements to be made, distance to the funeral, etc.).

**Annual Leave (Paid Time Off)**

Annual leave can be used for any reason, subject to existing request and approval procedures. As with all paid time off programs, the city needs to ensure that service to the public and work requirements are not adversely impacted.

**Accrual Rates for Annual Leave**

| Years of Service | Annual Accrual Rates |
|------------------|----------------------|
| 0-5 Years        | 5 hours bi-weekly    |
| 6-10 Years       | 6.5 hours bi-weekly  |
| 11-15 Years      | 8 hours bi-weekly    |
| 16-24 Years      | 9.5 hours bi-weekly  |
| 25 Years or More | 10 hours bi-weekly   |

Annual leave will not accrue during unpaid leaves. Regular part-time employees will accrue annual leave on a prorated basis based on regular hours worked.

No more than 240 hours of annual leave may be carried over into the following year. Any amount above the maximum 240 hours shall be converted to a contribution to MSRS. Such conversion shall be capped at 40 hours per year. The conversion shall take place once a year in the second week of December.

Employees leaving the city in good standing will receive 100 percent of their annual leave balance as compensation (applicable taxes will be withheld). Employees have the option of directing those dollars into a 457 deferred compensation plan (subject to IRS maximum deferral regulations and Minnesota law).

**Medical Certification**

Good attendance is an essential job function for all city employees. If unplanned absences are excessive, a doctor's certification may be required. The physician's certification is to state the nature and duration of the illness or injury and verify that the employee is unable to perform the duties and responsibilities of his/her position.

A statement attesting to the employee's ability to return to work and perform the essential functions of the job and a description of any work restrictions may also be required before the employee returns to work.

### **Returning to Work After a Medical Absence**

After a medical absence, a physician's statement may be required on the employee's first day back to work, indicating the nature of the illness or medical condition and attesting to the employee's ability to return to work and safely perform the essential functions of the job with or without reasonable accommodation.

Any work restrictions must be stated clearly on the return-to-work form. Employees who have been asked to provide such a statement may not be allowed to return to work until they comply with this provision. Annual leave may be denied for any employee required to provide a doctor's statement until such a statement is provided.

The city has the right to obtain a second medical opinion to determine the validity of an employee's workers' compensation or sick leave claim, or to obtain information related to restrictions or an employee's ability to work. The city will arrange and pay for an appropriate medical evaluation when it has been required by the city.

### **Unpaid Leave**

Unpaid leaves may be approved in accordance with the city personnel policies. Employees must normally use all accrued annual leave prior to taking an unpaid leave. If the leave qualifies under Parenting Leave or Family and Medical Leave, the employee may retain a balance of forty (40) hours when going on an unpaid leave. Any exceptions to this policy must be approved by the city administrator.

### **Military Leave**

State and federal laws provide protections and benefits to city employees who are called to military service, whether in the reserves or on active duty. Such employees are entitled to a leave of absence without loss of pay, seniority status, efficiency rating, or benefits for the time the employee is engaged in training or active service not exceeding a total of 15 days in any calendar year. Refer to current state and federal laws for details.

The leave of absence is only in the event the employee returns to employment with the city as required upon being relieved from service, or is prevented from returning by physical or mental disability or other cause not the fault of the employee, or is required by the proper authority to continue in military or naval service beyond the fifteen (15) day paid leave of

absence. Employees on extended unpaid military leave will receive fifteen (15) days paid leave of absence in each calendar year, not to exceed five years.

Where possible, notice is to be provided to the city at least ten (10) working days in advance of the requested leave. If an employee has not yet used his/her fifteen (15) days of paid leave when called to active duty, any unused paid time will be allowed for the active duty time, prior to the unpaid leave of absence.

Employees returning from military service will be reemployed in the job that they would have attained had they not been absent for military service and with the same seniority, status and pay, as well as other rights and benefits determined by seniority. Unpaid military leave will be considered hours worked for the purpose of paid time off (PTO) accrual.

Eligibility for continuation of insurance coverage for employees on military leave beyond fifteen (15) days will follow the same procedures as for any employee on an unpaid leave of absence.

Employees will be granted up to ten (10) working days of unpaid leave whose immediate family member is a member of the United States armed forces who has been injured or killed while engaged in active service. The 10 days may be reduced if an employee elects to use appropriate accrued paid leave.

Unless the leave would unduly disrupt the operations of the city, employees whose immediate family member, as a member of the United States armed forces has been ordered into active service in support of a war or other national emergency, will be granted an unpaid leave of absence, not to exceed one day's duration in any calendar year, to attend a send-off or homecoming ceremony for the mobilized service member.

### **Jury Duty**

Regular full-time and part-time employees will be granted paid leaves of absence for required jury duty in accordance with current state law.

Regular full-time and part-time employees will be granted paid leaves of absence for required jury duty. Such employees will be required to turn over any compensation they receive for jury duty, minus mileage reimbursement, to the city in order to receive their regular wages for the period. Time spent on jury duty will not be counted as time worked in computing overtime.

Employees excused or released from jury duty during their regular working hours will report to their regular work duties as soon as reasonably possible or will take accrued PTO or compensatory time to make up the difference.

Employees are required to notify their supervisor as soon as possible after receiving notice to report for jury duty. The employee will be responsible for ensuring that a report of time

spent on jury duty and pay form is completed by the clerk of court so the city will be able to determine the amount of compensation due for the period involved.

Temporary and seasonal employees are generally not eligible for compensation for absences due to jury duty, but can take a leave without pay subject to department head approval. However, if a temporary or seasonal employee is classified as exempt, he/she will receive compensation for the jury duty time.

### **Court Appearances**

Employees will be paid their regular wage to testify in court for city-related business. Any compensation received for court appearances (e.g. subpoena fees) arising out of or in connection with city employment, minus mileage reimbursement, must be turned over to the city.

### **Victim or Witness Leave**

An employer must allow a victim or witness, who is subpoenaed or requested by the prosecutor to attend court for the purpose of giving testimony, or is the spouse or immediate family member (immediate family member includes parent, spouse, child or sibling of the employee) of such victim, reasonable time off from work to attend criminal proceedings related to the victim's case.

### **Job Related Injury or Illness**

All employees are required to report any job-related illnesses or injuries to their supervisor immediately (no matter how minor). If a supervisor is not available and the nature of injury or illness requires immediate treatment, the employee is to go to the nearest available medical facility for treatment and, as soon as possible, notify his/her supervisor of the action taken. In the case of a serious emergency, 911 should be called.

If the injury is not of an emergency nature, but requires medical attention, the employee will report it to the supervisor and make arrangements for a medical appointment.

Workers' compensation benefits and procedures to return to work will be applied according to applicable state and federal laws.

### **Administrative Leave**

Under special circumstances, an employee may be placed on an administrative leave pending the outcome of an internal or external investigation. The leave may be paid or unpaid, depending on the circumstances, as determined by the city administrator with the approval of the City Council.

### **School Conference Leave**

Any employee who has worked half-time or more for more than twelve (12) consecutive months, may take unpaid leave for up to a total of sixteen (16) hours during any 12-month

period to attend school conferences or classroom activities related to the employee's child (under 18 or under 20 and still attending secondary school), provided the conference or classroom activities cannot be scheduled during non-work hours. When the leave cannot be scheduled during non-work hours and the need for the leave is foreseeable, the employee must provide reasonable prior notice of the leave and make a reasonable effort to schedule the leave so as not to disrupt unduly the operations of the city. Employees may choose to use PTO leave hours for this absence, but are not required to do so.

### **Family and Medical Leave**

See the City of Lake Elmo Family Medical Leave Policy

### **Pregnancy and Parenting Leave**

Employees who work twenty (20) hours or more per week and have been employed more than one year are entitled to take an unpaid leave of absence under the Pregnancy and Parenting Leave Act of Minnesota. Refer to current state and federal laws for details.

Employees who work twenty (20) hours or more per week and have been employed more than one year are entitled to take an unpaid leave of absence under the Pregnancy and Parenting Leave Act of Minnesota. Female employees for prenatal care, or incapacity due to pregnancy, childbirth, or related health conditions as well as a biological or adoptive parent in conjunction with after the birth or adoption of a child as eligible for up to 12 weeks of unpaid leave and must begin within twelve (12) months of the birth or adoption of the child. In the case where the child must remain in the hospital longer than the mother, the leave must begin within 12 months after the child leaves the hospital. Employee should provide reasonable notice, which is at least 3 days. If the leave must be taken in less than three days, the employee should give as much notice as practicable. In the case of both spouses working for the same employer, each eligible employee is entitled to 12 weeks of parental leave per 12 month period.

Employees are required to use accrued PTO leave during Parenting Leave. If the employee has any FMLA eligibility remaining at the time this leave commences, this leave will also count as FMLA leave. The two leaves will run concurrently. The employee is entitled to return to work in the same position and at the same rate of pay the employee was receiving prior to commencement of the leave. Group insurance coverage will remain available while the employee is on leave pursuant to the Pregnancy and Parenting Leave Act, but the employee will be responsible for the entire premium unless otherwise provided in this policy (i.e., where leave is also FMLA qualifying). For employees on an FMLA absence as well, the employer contributions toward insurance benefits will continue during the FMLA leave absence.

### **Reasonable Unpaid Work Time for Nursing Mothers**

Nursing mothers will be provided reasonable unpaid break time for nursing mothers to express milk for nursing her child for one year after the child's birth. The city will provide

a room (other than a bathroom) as close as possible to the employee's work area, that is shielded from view and free from intrusion from coworkers and the public and includes access to an electrical outlet, where the nursing mother can express milk in private.

### **Light Duty/Modified Duty Assignment**

This policy is to establish guidelines for temporary assignment of work to temporarily disabled employees who are medically unable to perform their regular work duties. Light duty is evaluated by the city administrator on a case-by-case basis. This policy does not guarantee assignment to light duty.

Such assignments are for short-term, temporary disability-type purposes; assignment of light duty is at the discretion of the city administrator. The city administrator reserves the right to determine when and if light duty work will be assigned.

When an employee is unable to perform the essential requirements of his/her job due to a temporary disability, he/she will notify the supervisor in writing as to the nature and extent of the disability and the reason why he/she is unable to perform the essential functions, duties, and requirements of the position. This notice **must** be accompanied by a physician's report containing a diagnosis, current treatment, and any work restrictions related to the temporary disability. The notice must include the expected time frame regarding return to work with no restrictions, meeting all essential requirements and functions of the city's job description along with a written request for light duty. Upon receipt of the written request, the supervisor is to forward a copy of the report to the city administrator.

The city may require a medical exam conducted by a physician selected by the city to verify the diagnosis, current treatment, expected length of temporary disability, and work restrictions.

It is at the discretion of the city administrator whether or not to assign light duty work to the employee. Although this policy is handled on a case-by-case basis, light duty will not generally be approved beyond six months.

If the city offers a light duty assignment to an employee who is out on workers' compensation leave, the employee may be subject to penalties if he/she refuses such work. The city will not, however, require an employee who is otherwise qualified for protection under the Family and Medical Leave Act to accept a light duty assignment.

The circumstances of each disabled employee performing light duty work will be reviewed regularly. Any light duty/modified work assignment may be discontinued at any time.

### **Bone Marrow/Organ Donation Leave**

Employees working an average of 20 or more hours per week may take paid leave, not to exceed 40 hours, unless agreed to by the city, to undergo medical procedures to donate

bone marrow or an organ. The 40 hours is over and above the amount of accrued time the employee has earned

The city may require a physician's verification of the purpose and length of the leave requested to donate bone marrow or an organ. If there is a medical determination that the employee does not qualify as a bone marrow or organ donor, the paid leave of absence granted to the employee prior to that medical determination is not forfeited.

### **Elections / Voting**

An employee selected to serve as an election judge pursuant to Minnesota law, will be allowed time off without pay for purposes of serving as an election judge, provided that the employee gives the city at least ten (10) days written notice.

All employees eligible to vote at a State general election, at an election to fill a vacancy in the office of United States Senator or Representative, or in a Presidential primary, will be allowed time off with pay to vote on the election day. Employees wanting to take advantage of such leave are required to work with their supervisors to avoid coverage issues.

### **Reasonable Accommodations to an Employee for Health Conditions Relating to Pregnancy**

The city will attempt to provide a female employee who requests reasonable accommodation with the following for her health conditions related to her pregnancy or childbirth:

- More frequent restroom, food, and water breaks;
- Seating;
- Limits on lifting over 20 pounds; and/or
- Temporary transfer to a less strenuous or hazardous position, should one be available.

Unless such accommodations impose an undue hardship on the city, the city will engage in an interactive process with respect to an employee's request for a reasonable accommodation.

## **SEXUAL HARASSMENT PREVENTION**

### **General**

The City of Lake Elmo is committed to creating and maintaining a work place free of harassment and discrimination. Such harassment is a violation of Title VII of the Civil Rights Act of 1964 and the Minnesota Human Rights Act.

In keeping with this commitment, the city maintains a strict policy prohibiting unlawful sexual harassment. This policy prohibits harassment in any form, including verbal and physical sexual harassment.

This policy statement is intended to make all employees sensitive to the matter of sexual harassment, to express the city's strong disapproval of unlawful sexual harassment, to advise employees against this behavior and to inform them of their rights and obligations. The most effective way to address any sexual harassment issue is to bring it to the attention of management.

## **Definitions**

To provide employees with a better understanding of what constitutes sexual harassment, the definition, based on Minnesota Statute § 363A.03, subd. 43, is provided: sexual harassment includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact, or other verbal or physical conduct or communication of a sexual nature, when:

- Submitting to the conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
- Submitting to or rejecting the conduct is used as the basis for an employment decision affecting an individual's employment; or
- Such conduct has the purpose or result of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Examples of inappropriate conduct include but are not limited to: unwanted physical contact; unwelcome sexual jokes or comments; sexually explicit posters or pinups; repeated and unwelcome requests for dates or sexual favors; sexual gestures or any indication, expressed or implied, that job security or any other condition of employment depends on submission to or rejection of unwelcome sexual requests or behavior. In summary, sexual harassment is the unwanted, unwelcome and repeated action of an individual against another individual, using sexual overtones as a means of creating stress.

## **Expectations**

All employees are expected to treat each other and the general public with respect and to assist in fostering an environment that is free from unwanted harassment. Violations of this policy may result in discipline, including possible termination. Each situation will be evaluated on a case-by-case basis.

Employees who feel that they have been victims of sexual harassment, or employees who are aware of such harassment, should immediately report their concerns to any of the following:

1. Immediate supervisor;
2. City administrator;

3. Mayor or city councilmember.

In addition to notifying one of the above persons and stating the nature of the harassment, the employee is also encouraged to take the following steps:

1. Make it clear to the harasser that the conduct is unwelcome and document that conversation.
2. Document the occurrences of harassment.
3. Submit the documented complaints to your supervisor, city administrator, mayor, or any member of the City Council. Employees are strongly encouraged to put the complaint in writing.
4. Document any further harassment or reprisals that occur after the initial complaint is made.

The city urges that conduct which is viewed as offensive be reported immediately to allow for corrective action to be taken through education and immediate counseling, if appropriate.

Management has the obligation to provide an environment free of sexual harassment. The city is obligated to prevent and correct unlawful harassment in a manner which does not abridge the rights of the accused. To accomplish this task, the cooperation of all employees is required.

The city will take action to correct any and all reported harassment to the extent evidence is available to verify the alleged harassment and any related retaliation. All allegations will be investigated. Strict confidentiality is not possible in all cases of sexual harassment as the accused has the right to answer charges made against them; particularly if discipline is a possible outcome. Reasonable efforts will be made to respect the confidentiality of the individuals involved, to the extent possible.

Any employee who makes a false complaint or provides false information during an investigation may be subject to disciplinary action, up to and including termination.

The City is not voluntarily engaging in a dispute resolution process within the meaning of Minn. Stat. § 363A.28, subd. 3(b) by adopting and enforcing this workplace policy. The filing of a complaint under this policy and any subsequent investigation does not suspend the one-year statute of limitations period under the Minnesota Human Rights Act for bringing a civil action or for filing a charge with the Commissioner of the Department of Human Rights.

### **Retaliation**

The City of Lake Elmo will not tolerate retaliation or intimidation directed towards anyone who makes a complaint of employment discrimination, who serves as a witness or participates in an investigation, or who is exercising his/her rights when requesting religious or disability accommodation. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment. While each situation is very fact dependent,

generally speaking retaliation can include a denial of a promotion, job benefits, or refusal to hire, discipline, negative performance evaluations or transfers to less prestigious or desirable work or work locations because an employee has engaged or may engage in activity in furtherance of EEO laws.

It can also include threats of reassignment, removal of supervisory responsibilities, filing civil action, deportation or other action with immigration authorities, disparagement to others or the media and making false report to government authorities because an employee has engaged or may engage in protected activities. Any individual who retaliates against a person who testifies, assists, or participates in an investigation may be subject to disciplinary action up to and including termination.

If you feel retaliation is occurring within the workplace, barring any extenuating circumstances, please report your concern immediately to any of the following:

1. Immediate supervisor;
2. City Administrator;
3. Mayor or City Councilmember
4. In the event an employee feels retaliation has occurred by the City Administrator or the City Council, then reporting may be made to the City Attorney.

Supervisors who have been approached by employees with claims of retaliation will follow the response process within “Supervisor’s Response to Allegations of Disrespectful Workplace Behavior” including reporting the allegations within two business days to the city administrator, who will who will decide how to proceed in addressing the claim/complaint

## **RESPECTFUL WORKPLACE POLICY**

The City of Lake Elmo is committed to creating and maintaining a work place free of harassment and discrimination. Such harassment is a violation of Title VII of the Civil Rights Act of 1964 and the Minnesota Human Rights Act. The intent of this policy is to provide general guidelines about the conduct that is and is not appropriate in the workplace. The city acknowledges that this policy cannot possibly predict all situations that might arise, and also recognizes that some employees are exposed to disrespectful behavior, and even violence, by the very nature of their jobs.

### **Applicability**

Maintaining a respectful work environment is a shared responsibility. This policy is applicable to all city personnel including contract, regular and temporary employees, volunteers, firefighters, and City Council members.

### **Abusive Customer Behavior**

While the city has a strong commitment to customer service, the city does not expect that employees accept verbal abuse from any customer. An employee may request that a

supervisor intervene when a customer is abusive, or they may defuse the situation themselves, including ending the contact.

If there is a concern over the possibility of physical violence, a supervisor should be contacted immediately. When extreme conditions dictate, 911 may be called. Employees should leave the area immediately when violence is imminent unless their duties require them to remain. Employees must notify their supervisor about the incident as soon as possible.

### **Types of Disrespectful Behavior**

The following types of behaviors constitute “disrespectful behavior” under this policy because they are a disruption in the workplace and are, in many instances, unlawful: (This is not an exhaustive list)

#### **Violent behavior:**

includes the use of physical force, harassment, bullying or intimidation.

#### **Discriminatory behavior:**

includes inappropriate remarks about or conduct related to a person’s race, color, creed, religion, national origin, disability, sex, marital status, age, sexual orientation, gender identity, or gender expression, familial status, or status with regard to public assistance.

#### **Offensive behavior:**

may include such actions as: rudeness, angry outbursts, inappropriate humor, vulgar obscenities, name calling, disparaging language, or any other behavior regarded as offensive to a reasonable person based upon violent or discriminatory behavior as listed above. It is not possible to anticipate in this policy every example of offensive behavior. Accordingly, employees are encouraged to discuss with their fellow employees and supervisor what is regarded as offensive, taking into account the sensibilities of employees and the possibility of public reaction.

Although the standard for how employees treat each other and the general public will be the same throughout the city, there may be differences between work groups about what is appropriate in other circumstances unique to a work group. If an employee is unsure whether a particular behavior is appropriate, the employee should request clarification from their supervisor or the city administrator.

#### **Sexual harassment:**

can consist of a wide range of unwanted and unwelcome sexually directed behavior such as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submitting to the conduct is made either explicitly or implicitly a term or condition of an individual’s employment; or

- Submitting to or rejecting the conduct is used as the basis for an employment decision affecting an individual's employment; or
- Such conduct has the purpose or result of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

**Sexual harassment includes, but is not limited to, the following:**

- Unwelcome or unwanted sexual advances. This means stalking, patting, pinching, brushing up against, hugging, cornering, kissing, fondling or any other similar physical contact considered unacceptable by another individual.
- Verbal or written abuse, kidding, or comments that are sexually-oriented and considered unacceptable by another individual. This includes comments about an individual's body or appearance where such comments go beyond mere courtesy, telling "dirty jokes" or any other tasteless, sexually oriented comments, innuendos or actions that offend others.
- Requests or demands for sexual favors. This includes subtle or obvious expectations, pressures, or requests for any type of sexual favor, along with an implied or specific promise of favorable treatment (or negative consequence) concerning one's current or future job.

**Names and Pronouns:**

Every employee will be addressed by a name and by pronouns that correspond to the employee's gender identity. A court-ordered name or gender change is not required.

**Possession and Use of Dangerous Weapons**

Possession or use of a dangerous weapon (see attached definitions) is prohibited on city property, in city vehicles, or in any personal vehicle, which is being used for city business. This includes employees with valid permits to carry firearms.

The following exceptions to the dangerous weapons prohibition are as follows:

- Employees legally in possession of a firearm for which the employee holds a valid permit, if required, and said firearm is secured within an attended personal vehicle or concealed from view within a locked unattended personal vehicle while that person is working on city property.
- A person who is showing or transferring the weapon or firearm to a police officer as part of an investigation.
- Police officers and employees who are in possession of a weapon or firearm in the scope of their official duties.

**Employee Response to Disrespectful Workplace Behavior**

Employees who believe that disrespectful behavior is occurring are encouraged to deal with the situation in one of the ways listed below. However, if the allegations involve violent behavior, sexual harassment, or discriminatory behavior, then the employee is

responsible for taking one of the actions below. If employees see or overhear a violation of this policy, they are encouraged to follow the steps below.

**Step 1(a)**. Politely, but firmly, tell whoever is engaging in the disrespectful behavior how you feel about their actions. Politely request the person to stop the behavior because you feel intimidated, offended, or uncomfortable. If practical, bring a witness with you for this discussion.

**Step 1(b)**. If you fear adverse consequences could result from telling the offender or if the matter is not resolved by direct contact, go to your supervisor, city administrator or city attorney. The person to whom you speak is responsible for documenting the issues and for giving you a status report on the matter no later than ten business days after your report.

**Step 1(c)**. In the case of violent behavior, all employees are required to report the incident immediately to their supervisor, city administrator, or police. Any employee who observes sexual harassment or discriminatory behavior, or receives any reliable information about such conduct, must report it within two business days to a supervisor or the city administrator.

**Step 2**. If, after what is considered to be a reasonable length of time (for example, 30 days), you believe inadequate action is being taken to resolve your complaint/concern, the next step is to report the incident to the city administrator or city attorney.

## **Supervisor's Response to Allegations of Disrespectful Workplace Behavior**

Employees who have a complaint of disrespectful workplace behavior will be taken seriously.

In the case of sexual harassment or discriminatory behavior, a supervisor must report the allegations within two business days to the city administrator, who will determine whether an investigation is warranted. A supervisor must act upon such a report even if requested otherwise by the victim. In situations other than sexual harassment and discriminatory behavior, supervisors will use the following guidelines when an allegation is reported:

**Step 1**. If the nature of the allegations and the wishes of the victim warrant a simple intervention, the supervisor may choose to handle the matter informally. The supervisor may conduct a coaching session with the offender, explaining the impact of his/her actions and requiring that the conduct not reoccur. This approach is particularly appropriate when there is some ambiguity about whether the conduct was disrespectful.

**Step 2**. If a formal investigation is warranted, the individual alleging a violation of this policy will be interviewed to discuss the nature of the allegations. The person being interviewed may have someone of his/her own choosing present during the interview. The investigator will obtain the following description of the incident, including date, time and place:

- Corroborating evidence.
- A list of witnesses.
- Identification of the offender.

**Step 3**. The supervisor must notify the city administrator about the allegations.

**Step 4.** As soon as practical after receiving the written or verbal complaint, the alleged policy violator will be informed of the allegations. The alleged violator will have the opportunity to answer questions and respond to the allegations.

**Step 5.** After adequate investigation and consultation with the appropriate personnel, a decision will be made regarding whether or not disciplinary action will be taken.

**Step 6.** The alleged violator and complainant will be advised of the findings and conclusions as soon as practicable.

### **Special Reporting Requirements**

When the supervisor is perceived to be the cause of a disrespectful workplace behavior incident, a report will be made to the city administrator who will assume the responsibility for investigation and discipline.

If the city administrator is perceived to be the cause of a disrespectful workplace behavior incident, a report will be made to the city attorney who will confer with the mayor and City Council regarding appropriate investigation and action.

If a councilmember is perceived to be the cause of a disrespectful workplace behavior incident involving city personnel, the report will be made to the city administrator and referred to the city attorney who will undertake the necessary investigation. The city attorney will report his/her findings to the City Council, which will take the action it deems appropriate.

Pending completion of the investigation, the city administrator may at his/her discretion take appropriate action to protect the alleged victim, other employees, or citizens.

### **Confidentiality**

A person reporting or witnessing a violation of this policy cannot be guaranteed anonymity. The person's name and statements may have to be provided to the alleged offender. All complaints and investigative materials will be contained in a file separate from the involved employees' personnel files. If disciplinary action does result from the investigation, the results of the disciplinary action will then become a part of the employee(s) personnel file(s).

### **Retaliation**

Consistent with the terms of applicable statutes and city personnel policies, the city may discipline any individual who retaliates against any person who reports alleged violations of this policy. The city may also discipline any individual who retaliates against any participant in an investigation, proceeding or hearing relating to the report of alleged violations. Retaliation includes, but is not limited to, any form of intimidation, reprisal, or harassment.

Any employee who makes a false complaint or provides false information during an investigation may be subject to disciplinary action, up to and including termination.

## **SEPARATION FROM SERVICE**

### **Resignations**

Employees wishing to leave the city service in good standing must provide a written resignation notice to their supervisor, at least ten (10) working days before leaving.

Exempt employees must give thirty (30) calendar days' notice. The written resignation must state the effective date of the employee's resignation.

No more than two (2) PTO days may be used during the employee's notice period and cannot be used as the last two days of employment.

Unauthorized absences from work for a period of three consecutive work days may be considered as resignation without proper notice.

Failure to comply with this procedure may be cause for denying payout of the employee's PTO and any future employment with the city.

Employees who leave the employ of the city in good standing by retirement or resignation will receive pay for 100 percent of unused accrued (PTO).

## **DISCIPLINE**

### **General Policy**

Supervisors are responsible for maintaining compliance with city standards of employee conduct. The objective of this policy is to establish a standard disciplinary process for employees of the City of Lake Elmo. City employees will be subject to disciplinary action for failure to fulfill their duties and responsibilities at the level required, including observance of work rules and standards of conduct and applicable city policies.

Discipline will be administered in a non-discriminatory manner. An employee who believes that discipline applied was either unjust or disproportionate to the offense committed may pursue a remedy through the grievance procedures established in the city's personnel policies. The supervisor and/or the city administrator will investigate any allegation on which disciplinary action might be based before any disciplinary action is taken.

### **No Contract Language Established**

This policy is not to be construed as contractual terms and is intended to serve only as a guide for employment discipline.

## **Process**

The city may elect to use progressive discipline, a system of escalating responses intended to correct the negative behavior rather than to punish the employee. There may be circumstances that warrant deviation from the suggested order or where progressive discipline is not appropriate. Nothing in these personnel policies implies that any city employee has a contractual right or guarantee (also known as a property right) to the job he/she performs.

Documentation of disciplinary action taken will be placed in the employee's personnel file with a copy provided to the employee.

The following are descriptions of the types of disciplinary actions:

### **Oral Reprimand**

This measure will be used where informal discussions with the employee's supervisor have not resolved the matter. All supervisors have the ability to issue oral reprimands without prior approval.

Oral reprimands are normally given for first infractions on minor offenses to clarify expectations and put the employee on notice that the performance or behavior needs to change, and what the change must be. The supervisor will document the oral reprimand including date(s) and a summary of discussion and corrective action needed.

### **Written Reprimand**

A written reprimand is more serious and may follow an oral reprimand when the problem is not corrected or the behavior has not consistently improved in a reasonable period of time. Serious infractions may require skipping either the oral or written reprimand, or both. Written reprimands are issued by the supervisor with prior approval from the city administrator.

A written reprimand will: (1) state what did happen; (2) state what should have happened; (3) identify the policy, directive or performance expectation that was not followed; (4) provide history, if any, on the issue; (5) state goals, including timetables, and expectations for the future; and (6) indicate consequences of recurrence.

Employees will be given a copy of the reprimand to sign acknowledging its receipt. Employees' signatures do not mean the employee agrees with the reprimand. Written reprimands will be placed in the employee's personnel file.

### **Suspension With or Without Pay**

The city administrator may suspend an employee without pay for disciplinary reasons. Suspension without pay may be followed with immediate dismissal as deemed appropriate by the City Council, except in the case of veterans. Qualified veterans who have completed

the initial probationary period, will not be suspended without pay in conjunction with a termination.

The employee will be notified in writing of the reason for the suspension either prior to the suspension or shortly thereafter. A copy of the letter of suspension will be placed in the employee's personnel file.

An employee may be suspended or placed on involuntary leave of absence pending an investigation of an allegation involving that employee. The leave may be with or without pay depending on a number of factors including the nature of the allegations. If the allegation is proven false after the investigation, the relevant written documents will be removed from the employee's personnel file and the employee will receive any compensation and benefits due had the suspension not taken place.

### **Demotion and/or Transfer**

An employee may be demoted or transferred if attempts at resolving an issue have failed and the city administrator determines a demotion or transfer to be the best solution to the problem. The employee must be qualified for the position to which they are being demoted or transferred. The City Council must approve this action.

### **Salary**

An employee's salary increase may be withheld or the salary may be decreased due to performance deficiencies.

### **Dismissal**

The city administrator, with the approval of the City Council, may dismiss an employee for substandard work performance, serious misconduct, or behavior not in keeping with city standards.

If the disciplinary action involves the removal of a qualified veteran who has completed the initial probationary period, the appropriate hearing notice will be provided and all rights will be afforded the veteran in accordance with Minnesota law.

## **GRIEVANCE PROCEDURE**

Any dispute between an employee and the city relative to the application, meaning or interpretation of these personnel policies will be settled in the following manner:

**Step 1:** The employee must present the grievance in writing, stating the nature of the grievance, the facts on which it is based, the provision or provisions of the personnel policies allegedly violated and the remedy requested, to the proper supervisor within twenty (20) days after the alleged violation or dispute has occurred. The supervisor will respond to the employee in writing within ten (10) days.

**Step 2:** If the grievance has not been settled in accordance with Step 1, it must be presented in writing, stating the nature of the grievance, the facts on which it is based, the provision

or provisions of the Personnel Policies allegedly violated, and the remedy requested, by the employee to the city administrator within five (5) days after the supervisor's response is due. The city administrator or his/her designee will respond to the employee in writing within ten (10) calendar days. The decision of the city administrator is final for all disputes with exception of those specific components in a performance evaluation subject to a challenge through the Minnesota Department of Administration.

### **Waiver**

If a grievance is not presented within the time limits set forth above, it will be considered "waived." If a grievance is not appealed to the next step in the specified time limit or any agreed extension thereof, it will be considered settled on the basis of the city's last answer. If the city does not answer a grievance or an appeal within the specified time limits, the employee may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the city and the employee without prejudice to either party.

The following actions are not grievable:

- While certain components of a performance evaluation, such as disputed facts reported to be incomplete or inaccurate are challengeable, other performance evaluation data, including subjective assessments, are not.
- Pay increases or lack thereof; and
- Merit pay awards.

The above list is not meant to be all inclusive or exhaustive.

## **EMPLOYEE EDUCATION & TRAINING**

The city promotes staff development as an essential, ongoing function needed to maintain and improve cost effective quality service to residents. The purposes for staff development are to ensure that employees develop and maintain the knowledge and skills necessary for effective job performance and to provide employees with an opportunity for job enrichment and mobility.

### **Policy**

The city will pay for the costs of an employee's participation in training and attendance at professional conferences, provided that attendance is approved in advance under the following criteria and procedures:

### **Job-Related Training & Conferences**

The subject matter of the training session or conference is directly job-related and relevant to the performance of the employee's work responsibilities. Responsibilities outlined in the job description, annual work program requirements and training goals and objectives that have been developed for the employee will be considered in determining if the request is job-related.

CLE or similar courses taken by an employee in order to maintain licensing or other professional accreditation will not be eligible for payment under this policy unless the subject matter relates directly to the employee's duties, even though the employee may be required to maintain such licensing or accreditation as a condition of employment with the city.

The supervisor and the city administrator are responsible for determining job-relatedness and approving or disapproving training and conference attendance.

### **Request for Participation in Training & Conferences**

The request for participation in a training session or conference must be submitted in writing to the employee's supervisor on the appropriate form. All requests must include an estimate of the total cost (training session, travel, meals, etc.) and a statement of how the education or training is related to the performance of the employee's work responsibilities with the city.

Payment information such as invoices, billing statements, etc., regarding the conference or training should be forwarded to accounting for prompt payment.

### **Out of State Travel**

Attendance at training or conferences out of state is approved only if the training or conference is not available locally. All requests for out of state travel are reviewed for approval/disapproval by the city administrator.

### **Compensation for Travel & Training Time**

Time spent traveling to and from, as well as time spent attending a training session or conference, will be compensated in accordance with the federal Fair Labor Standards Act.

Travel and other related training expenses will be reimbursed subject to the employee providing necessary receipts and appropriate documentation.

### **Memberships and Dues**

The purpose of memberships to various professional organizations must be directly related to the betterment of the services of the city. Normally, one city membership per agency, as determined by the city administrator is allowed, providing funds are available.

Upon separation of employment, individual memberships remain with the city and are transferred to another employee by the supervisor when possible.

### **Travel & Meal Allowance**

If employees are required to travel outside of the area in performance of their duties as a city employee, they will receive reimbursement of expenses for meals, lodging and necessary expenses incurred. However, the city will not reimburse employees for meals

connected with training or meetings within city limits, unless the training or meeting is held as a breakfast, lunch or dinner meeting.

Employees who find it necessary to use their private automobiles for city travel and who do not receive a car allowance will be reimbursed at the allowable IRS rate.

Expenses for meals, including sales tax and gratuity, will be reimbursed according to this policy. No reimbursement will be made for alcoholic beverages. Meal expenses will be reimbursed at the IRS rate.

A full reimbursement, over the maximum defined, may be authorized if a lower cost meal is not available when attending banquets, training sessions, or meetings of professional organizations.

## **OUTSIDE EMPLOYMENT**

The potential for conflicts of interest is lessened when individuals employed by the City of Lake Elmo regard the city as their primary employment responsibility. All outside employment is to be reported to the employee's immediate supervisor. If a potential conflict exists based on this policy or any other consideration, the supervisor will consult with the city administrator. Any city employee accepting employment in an outside position that is determined by the city administrator to be in conflict with the employee's city job will be required to resign from the outside employment or may be subject to discipline up to and including termination.

For the purpose of this policy, outside employment refers to any non-city employment or consulting work for which an employee receives compensation, except for compensation received in conjunction with military service or holding a political office or an appointment to a government board or commission that is compatible with city employment. The following is to be considered when determining if outside employment is acceptable:

- Outside employment must not interfere with a full-time employee's availability during the city's regular hours of operation or with a part-time employee's regular work schedule.
- Outside employment must not interfere with the employee's ability to fulfill the essential requirements of his/her position.
- The employee must not use city equipment, resources or staff in the course of the outside employment.
- The employee must not violate any city personnel policies as a result of outside employment.
- The employee must not receive compensation from another individual or employer for services performed during hours for which he/she is also being compensated by the city. Work performed for others while on approved paid time off or compensatory time is not a violation of policy unless that work creates the appearance of a conflict of interest.

- Departments may establish more specific policies as appropriate, subject to the approval of the city administrator.

City employees are not permitted to accept outside employment that creates either the appearance of or the potential for a conflict with the development, administration or implementation of policies, programs, services or any other operational aspect of the city.

## **DRUG FREE WORKPLACE**

In accordance with federal law, the City of Lake Elmo has adopted the following policy on drugs in the workplace:

- A. Employees are expected and required to report to work on time and in appropriate mental and physical condition. It is the city's intent and obligation to provide a drug-free, safe and secure work environment.
- B. The unlawful manufacture, distribution, possession, or use of a controlled substance on city property or while conducting city business is absolutely prohibited. Violations of this policy will result in disciplinary action, up to and including termination, and may have legal consequences.
- C. The city recognizes drug abuse as a potential health, safety, and security problem. Employees needing help in dealing with such problems are encouraged to use their health insurance plans, as appropriate.
- D. Employees must, as a condition of employment, abide by the terms of this policy and must report any conviction under a criminal drug statute for violations occurring on or off work premises while conducting city business. A report of the conviction must be made within five (5) days after the conviction as required by the Drug-Free Workplace Act of 1988.

## **CITY DRIVING POLICY**

This policy applies to all employees who drive a vehicle on city business at least once per month, whether driving a city-owned vehicle or their own personal vehicle. It also applies to employees who drive less frequently but whose ability to drive is essential to their job due to the emergency nature of the job. The city expects all employees who are required to drive as part of their job to drive safely and legally while on city business and to maintain a good driving record.

The city will examine driving records once per year for all employees who are covered by this policy to determine compliance with this policy. Employees who lose their driver's license or receive restrictions on their license are required to notify their immediate supervisor on the first work day after any temporary, pending or permanent action is taken on their license and to keep their supervisor informed of any changes thereafter. The city will determine appropriate action on a case-by-case basis.

## **CELLULAR PHONE USE**

This policy is intended to define acceptable and unacceptable uses of city issued cellular telephones. Its application is to insure cellular phone usage is consistent with the best interests of the city without unnecessary restriction of employees in the conduct of their duties. This policy will be implemented to prevent the improper use or abuse of cellular phones and to ensure that city employees exercise the highest standards of propriety in their use.

## **General Policy**

Cellular telephones are intended for the use of city employees in the conduct of their work for the city.

Supervisors are responsible for the cellular telephones assigned to their employees and will exercise discretion in their use. Nothing in this policy will limit supervisor discretion to allow reasonable and prudent personal use of such telephones or equipment provided that:

- Its use in no way limits the conduct of work of the employee or other employees.
- No personal profit is gained or outside employment is served.

Regardless of who pays the bill, cell phone records about city business are subject to the Minnesota Government Data Practices Act. What this means is that if a request were received, the city would be under the obligation to determine what information is public data and what information is private data and would need access to the employee's phone records and possibly the phone itself in order to provide the data that is being requested. Therefore, the best practice is to limit usage of personal cell phones for city business to that which is truly necessary or be prepared to produce your cell phone and the associated records if needed.

An employee will not be reimbursed for business-related calls without prior authorization from his/her supervisor. Supervisors may also prohibit employees from carrying their own personal cell phones during working hours if it interferes with the performance of their job duties.

Use of public resources by city employees for personal gain and/or private use including, but not limited to, outside employment or political campaign purposes, is prohibited and subject to disciplinary action which may include termination and/or criminal prosecution, depending on the circumstances. Incidental and occasional personal use may be permitted with the consent of the supervisor.

Personal calls will be made or received only when absolutely necessary. Such calls must not interfere with working operations and are to be completed as quickly as possible. In cases where the city does not regard accounting for personal calls to be unreasonable or administratively impractical due to the minimal cost involved, personal calls made by employees on a city-provided cellular phone must be paid for by the employee through reimbursement to the city based on actual cost listed on the city's phone bill.

## **Procedures**

It is the objective of the City of Lake Elmo to prevent and correct any abuse or misuse of cellular telephones through the application of this policy. Employees who abuse or misuse such telephones may be subject to disciplinary action.

## **Responsibility**

The city administrator, or designee, will have primary responsibility for implementation and coordination of this policy. All supervisors will be responsible for enforcement within their departments.

## **SAFETY**

The health and safety of each employee of the city and the prevention of occupational injuries and illnesses are of primary importance to the city. To the greatest degree possible, management will maintain an environment free from unnecessary hazards and will establish safety policies and procedures for each department. Adherence to these policies is the responsibility of each employee. Overall administration of this policy is the responsibility of each supervisor.

## **Safety Equipment/Gear**

Where safety equipment is required by federal, state, or local rules and regulations, it is a condition of employment that such equipment be worn by the employee.

## **Unsafe Behavior**

Supervisors are authorized to send an employee home immediately when the employee's behavior violates the city's personnel policies, department policies, or creates a potential health or safety issue for the employee or others.

## **Reporting Accidents and Illnesses**

Both Minnesota workers' compensation laws and the state and federal Occupational Safety and Health Acts require that all on the job injuries and illnesses be reported as soon as possible by the employee, or on behalf of the injured or ill employee, to his/her supervisor. The employee's immediate supervisor is required to complete a First Report of Injury and any other forms that may be necessary related to an injury or illness on the job.

## **Access to Gender-Segregated Activities and Areas**

With respect to all restrooms, locker rooms or changing facilities, employees will have access to facilities that correspond to their affirmed gender identity, regardless of their sex at birth. The city maintains separate restroom and/or changing facilities for male and female employees and allows employees to access them based on their gender identity.

In any gender-segregated facility, any employee who is uncomfortable using a shared facility, regardless of the reason, will, upon the employee's request, be provided with an

appropriate alternative. This may include, for example, addition of a privacy partition or curtain, provision to use a nearby private restroom or office, or a separate changing schedule. However, the city will not require a transgender or gender diverse employee to use a separate, nonintegrated space, unless requested by the transgender or gender diverse employee, because it may publicly identify or marginalize the employee as transgender.

Under no circumstances may employees be required to use sex-segregated facilities that are inconsistent with their gender identity.



## City of Lake Elmo, Minnesota Family and Medical Leave Policy

### ELIGIBILITY

To qualify to take FMLA leave under this policy, an employee must meet all the following conditions:

- Have worked for the City for 12 months (or 52 weeks) prior to the date the leave is to commence unless the break was due to National Guard or Reserves military service obligation. The 12 months or 52 weeks need not have been consecutive; however, the City will not consider any service 7 years prior to the employee's most recent hire date.
- Have worked at least 1,250 hours during the 12-month period prior to the date when the leave is requested to commence. The principles established under the Fair Labor Standards Act ("FLSA") determine the number of hours worked by an employee.

### TYPES OF LEAVE COVERED BY FMLA

Leave will be granted to all eligible employees for any of the following reasons:

- The birth of a child, including prenatal care, or placement of a child with the employee for adoption or foster care;
- To care for a spouse, child, or parent who has a serious health condition;
- Due to a serious health condition that makes the employee unable to perform the essential functions of the position;
- A covered military member's active duty or call to duty or to care for a covered military member (Military Caregiver and Qualified Exigency Leave) (described below).

### DEFINITIONS

- **"Spouse"** does not include domestic partners or common-law spouses.
- **"Caring for"** a covered family member includes psychological as well as physical care. It also includes acquiring care and sharing care duties. An eligible **"child,"** with some exceptions, is under 18 years of age.

- An eligible **“parent”** includes a biological parent or a person who was charged with parental rights, duties, and responsibilities over the employee when the employee was under the age of 18.
  
- **“Serious Health Condition”** means an illness, injury, impairment, or physical or mental condition that involves one of the following:
  - **Hospital Care:** Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility;
  - **Pregnancy:** Any period of incapacity due to pregnancy, prenatal medical care or child birth;
  - **Absence Plus Treatment:** A period of incapacity of more than three consecutive calendar days that also involves continuing treatment by or under the supervision of a health care provider.
  - **Chronic Conditions Requiring Treatments:** An incapacity from a chronic condition which requires periodic visits for treatment by a health care provider, continues over an extended period of time, and may cause episodic rather than a continuing period of incapacity;
  - **Permanent/Long-Term Conditions Requiring Supervision**
  - **Multiple Treatments:** Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider.

#### **LENGTH AND AMOUNT OF LEAVE**

The length of FMLA leave is not to exceed twelve (12) weeks in any twelve (12) month period. The leave year is calculated based on a fixed or calendar date basis.

The entitlement to FMLA leave for the birth or placement of a child for adoption expires twelve (12) months after the birth or placement of that child.

#### **HOW LEAVE MAY BE TAKEN**

FMLA leave may be taken for 12 (or less) consecutive weeks, may be used intermittently (a day periodically when needed), or may be used to reduce the workweek or workday, resulting in a reduced hour schedule. In all cases, the leave may not exceed a total of 12 workweeks.

Intermittent leave may be taken when medically necessary for the employee’s serious health condition or to care for a seriously ill family member. Intermittent leave must be documented in the medical certification form as medically necessary.

If an employee is taking intermittent leave or leave on a reduced schedule for planned medical treatment, the employee must make a reasonable effort to schedule the treatment so as to not disrupt the City’s business.

In instances when intermittent or reduced schedule leave for the employee or employee's family member is foreseeable or is for planned medical treatment, including recovery from a serious health

condition, the City may temporarily transfer an employee to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule.

Intermittent/reduced scheduled leave may be taken to care for a newborn or newly placed adopted or foster care child only with the City's approval.

#### **PROCEDURE FOR REQUESTING LEAVE AND NOTICE**

All employees requesting FMLA leave must provide written or verbal notice of the need for the leave to Assistant City Administrator.

When the need for the leave is foreseeable, the employee must give verbal or written notice to his/her supervisor at least thirty (30) days prior to the date on which leave is to begin. If an employee fails to give thirty (30) days' notice for a foreseeable leave with no reasonable explanation for the delay, the leave may be denied until thirty (30) days after the employee provides notice.

If thirty (30) days' notice cannot be given, the employee is required to give as much notice as practicable, including following required call-in procedures.

The City requires an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

#### **CERTIFICATION AND DOCUMENTATION REQUIREMENTS**

For leave due to an employee's serious health condition or that of an employee's family member, the City will require the completion of a Medical Certification form by the attending physician or practitioner. The form must be submitted by the employee to the City Administrator within fifteen (15) calendar days after leave is requested. If the form is not submitted in a timely fashion, the employee must provide a reasonable explanation for the delay. Failure to provide medical certification may result in a denial or delay of the leave.

When leave is due to an employee's own serious health condition, a fitness for duty certification (FFD) will be required before an employee can return to work. Failure to timely provide such certification may eliminate or delay an employee's right to reinstatement under the FMLA.

If an employee is using intermittent leave and reasonable safety concerns exist regarding the employee's ability to perform his or her duties, a FFD certificate may be required as frequently as every 30 days during periods when the employee has used intermittent leave.

Recertification of leave may be required if the employee requests an extension of the original length approved by the City or if the circumstances regarding the leave have changed. Recertification may also be required if there is a question as to the validity of the certification or if the employee is unable to return to work due to the serious health condition.

## **SECOND AND THIRD MEDICAL OPINIONS**

The City may require an employee obtain a second opinion from a provider which the City selects. If necessary to resolve a conflict between the original certification and the second opinion, the City may require the opinion of a third doctor. This third opinion will be considered final. An employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

## **ANNUAL MEDICAL CERTIFICATION AND RECERTIFICATION**

Where the employee's need for leave due to the employee's own serious health condition lasts beyond a single leave year, the City will require employees to provide a new medical certification in each subsequent leave year. Such new medical certifications are subject to the provisions for authentication and clarification and second and third opinions.

## **REINSTATEMENT**

Employees returning from Family and Medical Leave will be reinstated in the same position or a position equivalent in pay, benefits, and other terms and conditions of employment.

## **GROUP HEALTH INSURANCE AND OTHER BENEFITS, CONCURRENT LEAVE AND SUBSTITUTION OF PAID LEAVE**

An employee granted leave under this policy will continue to be covered under the City's group health and dental insurance plan under the same conditions and at the same level of City contribution as would have been provided had the employee been continuously employed during the leave period. The employee will be required to continue payment of the employee portion of group insurance coverage while on leave. Arrangements for payment of the employee's portion of premiums must be made by the employee with the City.

If there are changes in the City's contribution levels while the employee is on leave, those changes will take place as if the employee were still on the job.

Rights to additional continued benefits will depend on whether leave is paid or unpaid.

Any paid disability leave benefits (Short Term Disability or Long Term Disability), sick leave, Paid Time Off (PTO) or compensatory time off available to employees for a covered reason (an employee's serious health condition or a covered family member's serious health condition, including worker's compensation leave and Minnesota State Parenting Leave) will run concurrently with FMLA.

## **FAILURE TO RETURN TO WORK AFTER FMLA**

Under certain circumstances, if the employee does not return to work at the end of the FMLA leave for at least 30 calendar days, the City may require the employee to repay the portion of the monthly cost paid by the City for group health plan benefits. The City may also require the employee to repay any amounts the City paid on the employee's behalf to maintain benefits other than group health plan benefits.

If the employee fails to pay the City a portion of the premiums for which he or she is responsible during the FMLA leave and the employee fails to return to work, coverage may end. Loss of coverage for failure to pay premiums is not a qualifying event for purposes of continuation coverage under COBRA.

#### **ACTIVITIES PROHIBITED DURING FMLA.**

While on leave, an employee may not engage in activities (including employment) which have the same or similar requirements and essential functions of an employee's current position.

#### **UNPAID MEDICAL LEAVE OF ABSENCE**

If an employee is ineligible for FMLA leave or has exhausted available FMLA leave benefits, it is the policy of the City to consider an employee's request for a medical or personal leave of absence. The amount of medical leave available to each employee will be determined on a case-by-case basis depending on the position held, staffing requirements, the reasons for the leave, and the anticipated return-to-work date. Employees who take unpaid medical leave are not guaranteed to return to the same position held prior to taking leave.

Employees seeking a medical leave of absence will be required to present medical documentation to support the need for the leave, on-going documentation to support the need for continued leave, and documentation to support a return to work.

During Unpaid Medical Leave, employees will be expected to keep in regular contact with human resources. When you anticipate your return to work, please notify human resources of your expected return date at least one week before the end of your leave.

Employees on an Unpaid Medical Leave of Absence may be subject to COBRA notice and continuation benefits and will be solely responsible for payment of the entire COBRA.

Failure to keep in touch with management during your leave, failure to advise management of your availability to return to work, or failure to return to work following leave will be considered a voluntary resignation of your employment.

#### **FMLA – QUALIFIED EXIGENCY AND MILITARY CAREGIVER LEAVE**

##### **Qualified Exigency**

Eligible employees (described above) whose spouse, son, daughter, or parent either has been notified of an impending call or order to covered active military duty or who is already on covered active duty may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service.

The qualifying exigency must be one of the following: (1) short-notice deployment; (2) military events and activities; (3) childcare and school activities; (3) financial and legal arrangements; (5) counseling; (6) rest and recuperation; (7) post-deployment activities; (8) parental care; or (9) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

### **Military Caregiver Leave**

An employee eligible for FMLA leave (described above) who is the spouse, son, daughter, parent, or next of kin of a covered servicemember may take up to 26 weeks in a single 12-month period to care for that servicemember.

The family member must be a current member of the Armed Forces (including a member of the National Guard or Reserves), who has a serious injury or illness incurred in the line of duty on active duty for which he or she is undergoing medical treatment, recuperation, or therapy, or otherwise is on outpatient status or on the temporary disability retired list. Eligible employees may not take leave under this provision to care for former members of the Armed Forces, former members of the National Guard and Reserves, or members on the permanent disability retired list.

### **DEFINITIONS**

- A **“son or daughter of a covered servicemember”** means the covered servicemember's biological, adopted, or foster child, stepchild, legal ward, or a child for whom the covered servicemember stood in loco parentis, and who is of any age.
- A **“parent of a covered servicemember”** means a covered servicemember's biological, adoptive, step, or foster father or mother, or any other individual who stood in loco parentis to the covered servicemember. This term does not include parents “in law.”
- The **“next of kin of a covered servicemember”** is the nearest blood relative, other than the covered servicemember's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the servicemember by court decree or statutory provisions, brothers and sisters, grandparents, aunts and uncles, and first cousins, unless the covered servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of military caregiver leave under the FMLA. When no such designation is made, and there are multiple family members with the same level of relationship to the covered servicemember, all such family members shall be considered the covered servicemember's next of kin and may take FMLA leave to provide care to the covered servicemember, either consecutively or simultaneously. When such designation has been made, the designated individual shall be deemed to be the covered servicemember's only next of kin.
- **“Covered active duty”** means:
  - “Covered active duty” for members of a regular component of the Armed Forces means duty during deployment of the member with the Armed Forces to a foreign country.
  - “Covered active duty” for members of the reserve components of the Armed Forces (members of the U.S. National Guard and Reserves) means duty during deployment of

the member with the Armed Forces to a foreign country under a call or order to active duty in a contingency operation as defined in section 101(a)(13)(B) of Title 10 of the United States Code.

- **“Covered servicemember”** means:
  - An Armed Forces member (including the National Guard or Reserves) undergoing medical treatment, recuperation, or therapy or otherwise in outpatient status or on the temporary disability retired list, for a serious injury or illness”; or
  - A veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.
- **“Serious injury or illness”** means:
  - In the case of a member of the Armed Forces (including a member of the National Guard or Reserves), means an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating; and
  - In the case of a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during a period when the person was a covered servicemember, means a qualifying (as defined by the Secretary of Labor) injury or illness incurred by a covered servicemember in the line of duty on active duty that may render the servicemember medically unfit to perform the duties of his or her office, grade, rank or rating.

#### **AMOUNT OF LEAVE – QUALIFIED EXIGENCY**

An eligible employee can take up to 12 weeks of leave for a qualified exigency.

#### **AMOUNT OF LEAVE – MILITARY CAREGIVER**

An eligible employee taking military caregiver leave is entitled to 26 workweeks of leave during a “single 12-month period.” The “single 12-month period” begins on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date.

Leave taken for any FMLA reason counts towards the 26-week entitlement. If an employee does not take all 26 workweeks of leave to care for a covered servicemember during this “single 12-month period,” the remaining part of the 26 workweeks of leave entitlement to care for the covered servicemember is forfeited. 29 C.F.R. § 825.127(e)(1) (2017).

#### **CERTIFICATION OF QUALIFYING EXISGENCY FOR MILITARY FAMILY LEAVE**

The City will require certification of the qualifying exigency for military family leave. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification of Qualifying Exigency for Military Family Leave.

**CERTIFICATION FOR SERIOUS INJURY OR ILLNESS OF COVERED SERVICEMEMBER FOR MILITARY FAMILY LEAVE**

The City will require certification for the serious injury or illness of the covered servicemember. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. This certification will be provided using the DOL Certification for Serious Injury or Illness of Covered Servicemember.

All other provisions of the FMLA policy, including Use of Paid Leave, Employee Status and Benefits During Leave, Procedure for Requesting Leave, and Benefits During Leave and Reinstatement, are outlined above in the FMLA policy.



## STAFF REPORT

DATE: December 5, 2017  
CONSENT #9

**AGENDA ITEM:** Compensation Policy and 2018 Range and Steps

**TO:** Mayor and Council

**SUBMITTED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

The City hired David Drown and Associates (DDA) last year to complete a job classification and compensation study. The report was presented to Council and the Human Resources Committee earlier this year. The Human Resources Committee then spent a couple meetings discussing a pay plan. At their September meeting, the committee reviewed information from the League of MN Cities HR Manual regarding different types of pay systems in addition to the options offered in the DDA study.

The Human Resources Committee recommended approval of the step and grade system in the DDA study with annual market adjustments to the pay ranges. They further recommended employees move to the next step with a satisfactory performance evaluation. Employees at the top of the pay range would receive no increase although the city reserves the right to examine that on a case by case basis. The committee identified key components of a plan would: address performance, the market, budget and include ranges and grades.

### **ISSUE BEFORE COUNCIL:**

What compensation policy should the city adopt?

### **PROPOSAL DETAILS/ANALYSIS:**

Using the model League compensation policy as a guideline and the direction from the Human Resources committee, staff drafted the attached policy. The policy covers the purpose, structure, actions and general provisions.

This policy is directed at three primary goals:

- To attract and retain qualified and responsible personnel for the positions covered under this policy;
- To create and maintain internal equity between positions compliant with the Minnesota Local Government Pay Equity Act and all other applicable local, State and Federal laws and regulations; and
- To do so efficiently and effectively thereby being fiscally responsible to the interests of the taxpayer.

The policy covers all non-represented city positions with the exception of elected officials, temporary or seasonal positions and paid on call firefighters. The positions are assigned to a grade. The DDA study completed this task and the Job Evaluation Tool (JET) was provided to the city for use in new positions. While the goal would remain to hire an employee at the minimum whenever possible, following the Council discussion at the November 14, 2017 work session staff has removed the language restricting the hiring range to step 4 to allow for more flexibility depending upon an applicant's experience and qualifications. An employee would be eligible for a step increase after completing the 6 month probationary period

provided they had a satisfactory job evaluation. After that, employees would be eligible annually (currently in July) for a step increase if they received a satisfactory job evaluation.

Components of the plan will be reviewed at least annually. It will be necessary for the City to adjust the salary schedule based on the cost of living and other factors such as recruitment and retention issues. Any changes will be confirmed by the Council through adoption of the budget and resolution establishing the grades and steps for each job classification.

**FISCAL IMPACT:**

The proposed 2018 budgets have incorporated this step and grade plan with a market adjustment of 2%.

**OPTIONS:**

- 1) Approve the Compensation Policy, Position Grades and 2018 Non-represented pay ranges
- 2) Amend and then approve the Compensation Policy, Position Grades and 2018 Non-represented pay ranges
- 3) Do not adopt a Compensation Policy

**RECOMMENDATION:**

If removed from the consent agenda:

***“Motion to approve the Compensation Policy, Position Grades and 2018 Non-represented pay ranges.”***

**ATTACHMENT:**

- Compensation Policy
- 2018 Pay Ranges
- Position Grades



## City of Lake Elmo Compensation Policy

---

### **Purpose:**

The City of Lake Elmo intends to establish, administer, maintain and regularly update an internal job evaluation hierarchy that is consistent with the Local Government Pay Equity Act. The city also intends to establish, administer, maintain and regularly update a pay structure that is appropriate to the breadth and depth of services being offered to and provided for the City and is also affordable within available resources. Finally, the city intends to maintain supplemental benefits (insurance, holiday/paid time off schedules, etc) that are competitive and also affordable within available resources.

This policy establishes the guidelines for all non-represented city positions with the exception of elected officials, temporary or seasonal positions and paid on call firefighters. Compensation for seasonal or temporary employees and paid on call firefighters will be set by the City Council at the time of hire, or on an annual basis.

This policy is directed at three primary goals:

- To attract and retain qualified and responsible personnel for the positions covered under this policy;
- To create and maintain internal equity between positions compliant with the Minnesota Local Government Pay Equity Act and all other applicable local, State and Federal laws and regulations; and
- To do so efficiently and effectively thereby being fiscally responsible to the interests of the taxpayer.

### **Compensation Structure:**

Compensation is based on wage/salary grades and steps within the salary grade. For any position subject to this policy, compensation must be assigned using a ten-step grid within each salary grade, with an increase of 30% from the minimum to the maximum step. In determining or evaluating compensation levels, the City Administrator must maintain a schedule of comparative compensation amounts for all positions covered under the policy. The City Council will determine the appropriate market to be used in developing this schedule and in supplemental compensation reviews.

A new employee must be hired at the pay grade minimum whenever possible. The City Administrator or appropriate department head may recommend the new employee be hired at a rate above the minimum of the pay grade for his/her classification based upon qualifications and experience, subject to approval by the City Council.

A probationary employee may advance to the next pay step after satisfactorily completing six months of employment which meets performance expectations, subject to approval of the City Council. Subject to Council approval, every year thereafter, on or about July 1st, an employee may advance to the next pay step after satisfactorily completing another year of employment which meets the performance expectations until he or she reaches the grade maximum. Determination of satisfactory performance must be recommended by the immediate supervisor on forms prescribed by the City Administrator. Employees above the grade maximum will not receive an increase until the step plan catches up to their wage. Exceptions may be made on a case by case basis.

**Actions Taken to Review, Update and Maintain the Plan:**

Elements of the plan will be reviewed annually to determine the degree to which it remains consistent with the city's total compensation philosophy. Actions to be taken may include:

1. Review, verification, and any required updating of job descriptions for all positions covered by this policy.
2. Review, verification and any required updating of job evaluations on all positions covered by this policy, following established reclassification policies and procedures.
3. Review, verification and consideration of current market survey data collected from the cities selected for comparison, ensuring that there are no questionable data that may give an incorrect pattern of pay for one or more positions.
4. Review and consideration of appropriate changes to the established base pay structure based on patterns of current market survey data, ensuring that there will be continuing integrity in administration of the current or revised pay structure.
5. Review and consideration of changes to the city's supplemental benefits covering paid time off.
6. Review and consideration of required and/or appropriate changes to the written description of the plan.

The pay grades and rates established by this policy must be annually confirmed by the City Council through adoption of the budget and resolution establishing the grades and steps for each job classification.

**General Provisions:**

Nothing within this policy is a guarantee of employment and compensation, and nothing is to be construed as a commitment to continue the City of Lake Elmo Compensation Policy for more than one calendar year at a time. All components of this policy are set forth as guidelines to assist in establishing appropriate compensation. The provisions of this policy supersede all other compensation considerations. Compensation schedules will be maintained and updated as appendices to this policy in accordance with policy provisions.

**Appendix I:**

Position Grades

**Appendix II:**

Range and Step Plan

**2018 Non Represented Pay Plan**

| Grade | Evaluation Points |           | Range Steps |         |         |         |         |         |         |         |         |         |
|-------|-------------------|-----------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|       | Point Min         | Point Max | Min         | 2       | 3       | 4       | 5       | 6       | 7       | 8       | 9       | Max     |
| 1     | 130               | 139       | \$14.04     | \$14.51 | \$14.98 | \$15.45 | \$15.92 | \$16.39 | \$16.85 | \$17.32 | \$17.79 | \$18.26 |
| 2     | 140               | 151       | \$14.99     | \$15.49 | \$15.99 | \$16.49 | \$16.99 | \$17.49 | \$17.99 | \$18.49 | \$18.99 | \$19.49 |
| 3     | 152               | 163       | \$16.00     | \$16.54 | \$17.07 | \$17.61 | \$18.14 | \$18.67 | \$19.21 | \$19.74 | \$20.27 | \$20.81 |
| 4     | 164               | 176       | \$17.08     | \$17.65 | \$18.22 | \$18.79 | \$19.36 | \$19.93 | \$20.50 | \$21.07 | \$21.64 | \$22.21 |
| 5     | 177               | 190       | \$18.24     | \$18.85 | \$19.45 | \$20.06 | \$20.67 | \$21.28 | \$21.89 | \$22.49 | \$23.10 | \$23.71 |
| 6     | 191               | 205       | \$19.47     | \$20.12 | \$20.77 | \$21.42 | \$22.07 | \$22.71 | \$23.36 | \$24.01 | \$24.66 | \$25.31 |
| 7     | 206               | 222       | \$20.78     | \$21.48 | \$22.17 | \$22.86 | \$23.55 | \$24.25 | \$24.94 | \$25.63 | \$26.33 | \$27.02 |
| 8     | 223               | 240       | \$22.19     | \$22.93 | \$23.67 | \$24.40 | \$25.14 | \$25.88 | \$26.62 | \$27.36 | \$28.10 | \$28.84 |
| 9     | 241               | 259       | \$23.68     | \$24.47 | \$25.26 | \$26.05 | \$26.84 | \$27.63 | \$28.42 | \$29.21 | \$30.00 | \$30.79 |
| 10    | 260               | 280       | \$25.28     | \$26.13 | \$26.97 | \$27.81 | \$28.65 | \$29.50 | \$30.34 | \$31.18 | \$32.02 | \$32.87 |
| 11    | 281               | 302       | \$26.99     | \$27.89 | \$28.79 | \$29.69 | \$30.59 | \$31.49 | \$32.39 | \$33.29 | \$34.19 | \$35.09 |
| 12    | 303               | 326       | \$28.81     | \$29.77 | \$30.73 | \$31.69 | \$32.65 | \$33.61 | \$34.57 | \$35.53 | \$36.49 | \$37.45 |
| 13    | 327               | 353       | \$30.76     | \$31.78 | \$32.81 | \$33.83 | \$34.86 | \$35.88 | \$36.91 | \$37.93 | \$38.96 | \$39.98 |
| 14    | 354               | 381       | \$32.83     | \$33.93 | \$35.02 | \$36.11 | \$37.21 | \$38.30 | \$39.40 | \$40.49 | \$41.59 | \$42.68 |
| 15    | 382               | 411       | \$35.05     | \$36.22 | \$37.38 | \$38.55 | \$39.72 | \$40.89 | \$42.06 | \$43.23 | \$44.39 | \$45.56 |
| 16    | 412               | 444       | \$37.41     | \$38.66 | \$39.91 | \$41.15 | \$42.40 | \$43.65 | \$44.90 | \$46.14 | \$47.39 | \$48.64 |
| 17    | 445               | 480       | \$39.66     | \$40.98 | \$42.30 | \$43.62 | \$44.95 | \$46.27 | \$47.59 | \$48.91 | \$50.23 | \$51.56 |
| 18    | 481               | 518       | \$42.04     | \$43.44 | \$44.84 | \$46.24 | \$47.64 | \$49.04 | \$50.45 | \$51.85 | \$53.25 | \$54.65 |
| 19    | 519               | 560       | \$44.56     | \$46.05 | \$47.53 | \$49.02 | \$50.50 | \$51.99 | \$53.47 | \$54.96 | \$56.44 | \$57.93 |
| 20    | 561               | 605       | \$47.23     | \$48.81 | \$50.38 | \$51.96 | \$53.53 | \$55.11 | \$56.68 | \$58.25 | \$59.83 | \$61.40 |

**POSTION GRADE ASSIGNMENT**

| <b>TITLE</b>          | <b>GRADE</b> |
|-----------------------|--------------|
| Accountant            | 9            |
| Assistant City Admin  | 11           |
| Building Inspector    | 11           |
| Building Official     | 13           |
| City Administrator    | 20           |
| City Clerk            | 11           |
| City Planner          | 11           |
| Deputy Clerk          | 7            |
| Fire Chief            | 16           |
| Fire Dept. Admin Asst | 8            |
| Finance Director      | 16           |
| Permit Technician     | 7            |
| Planning Director     | 16           |
| Public Works Director | 17           |



## STAFF REPORT

DATE: December 5, 2017  
CONSENT  
ITEM #: 10

**TO:** Mayor and City Council

**FROM:** Jake Foster, Assistant City Administrator

**AGENDA ITEM:** Approve Environmentally Responsible Practices Recognition Policy

---

### **BACKGROUND:**

At their August 2016 meeting, the Environmental Committee discussed developing a program to recognize businesses, individuals, and organizations that take environmentally responsible actions. The new Environmental Committee members reviewed the proposed policy at their November 2017 meeting, and approved the policy without changes. This program will be on-going, and will not require any specific application or nomination period.

### **ISSUE BEFORE COUNCIL:**

Should the Council approve the policy to recognize environmentally responsible businesses, individuals, and organizations in Lake Elmo as recommended by the Environmental Committee?

### **PROPOSAL DETAILS/ANALYSIS:**

Staff recommends that Council approve the attached policy to provide a means for formal recognition of environmentally responsible businesses, individuals, and organizations in Lake Elmo.

### **FISCAL IMPACT:**

None.

### **RECOMMENDATION:**

If removed from the consent agenda:

*“Motion to approve the Environmentally Responsible Practices Recognition Policy.”*

### **ATTACHMENTS:**

- Environmentally Responsible Practices Recognition Policy



**CITY OF LAKE ELMO  
ENVIRONMENTALLY RESPONSIBLE PRACTICES  
RECOGNITION POLICY**

---

**PURPOSE**

In order to support Lake Elmo's Environmental Committee and their mission to improve the environment in Lake Elmo, the committee will recognize local businesses, individuals, and organizations that are engaging in environmentally responsible practices.

**POLICY**

1. Lake Elmo's Environmental Committee, or a committee member, will identify a business, individual, or organization in Lake Elmo that has been employing environmentally-friendly practices. A list of the specific sustainable practices of the business, individual, or organization shall be gathered by the committee, or committee member.
2. The efforts of the identified business, individual, or organization will be discussed between committee members during the committee meeting, and it shall be determined whether or not the business, individual, or organization shall be formally recognized by City Council as a Recognized Green Business in Lake Elmo.
3. City Council will present a certificate to the individual, or a representative (or representatives) of the business/organization formally recognizing their efforts in being environmentally responsible.



## STAFF REPORT

DATE: December 5, 2017

**CONSENT**

ITEM #: 11

**AGENDA ITEM:** Accept resignation of Brian Hauser  
**SUBMITTED BY:** Jake Foster, Assistant City Administrator

---

**BACKGROUND:**

Firefighter Brian Hauser submitted his resignation on November 30<sup>th</sup>, effective immediately.

**ISSUE BEFORE COUNCIL:**

Should the Council accept Brian Hauser's resignation?

**PROPOSAL:**

Staff recommends accepting Brian Hauser's resignation.

**RECOMMENDATION:**

If removed from the consent agenda:

*"Move to accept Brian Hauser's resignation."*

**ATTACHMENTS:** None



## STAFF REPORT

DATE: December 5, 2017  
**CONSENT**  
ITEM #: 12

**AGENDA ITEM:** Accept Resignation of Emily Becker, and Authorize Advertising for Planning Director

**SUBMITTED BY:** Jake Foster, Assistant City Administrator

---

### **BACKGROUND:**

Planning Director, Emily Becker submitted her resignation on November 29th. Her last day with the City will be December 29<sup>th</sup>. Job Class and Comp Study work was done to update job description which was approved by Council at the August 15<sup>th</sup> meeting.

As the City continues to grow, staff wants to be mindful of the necessary skill sets needed to sustain this position long-term. In that regard, the attached job posting contains the opportunity for this position to grow into a Community Development Director role. This is item will first be brought before the Human Resources Committee before any further consideration is taken.

### **ISSUE BEFORE COUNCIL:**

Does Council accept Emily Becker's resignation, and authorize advertising for Planning Director?

### **PROPOSAL:**

Staff recommends accepting Emily Becker's resignation and authorizing the advertising for Planning Director.

### **FISCAL IMPACT:**

The estimated annual fiscal impact for Planning Director would be approximately \$94,000-\$130,000 including salary, taxes, and benefits.

### **RECOMMENDATION:**

If removed from the consent agenda:

*“Move to accept Emily Becker's resignation, and authorize advertising for Planning Director.”*

### **ATTACHMENTS:**

Job Posting



The City of Lake Elmo offers competitive pay and benefits in addition to professional development opportunities to all employees. The city's number one value statement is to foster an environment based on trust and ethics. These philosophies and practices help the City in recruiting and retaining exceptional employees.

---

Accepting Applications for the Position of:

## Planning Director

**SALARY: \$76,295-\$99,175**

**ANTICIPATED HIRING RANGE: \$76,295-\$99,175**

**OPENING DATE: 12/6/2017**

**CLOSING DATE: 12/29/17**

**POSITION TITLE:** Planning Director  
**DEPARTMENT:** Planning  
**ACCOUNTABLE TO:** City Administrator

**Position Details/Essential Functions:** This position is to strengthen the health and vitality of the City through managing planning, development review, redevelopment, building plan review, inspection, code enforcement, and housing. This position manages the direct operations of the Planning Department, meeting statutory requirements, while administering the City's Comprehensive Plan. Main functions include managing development review, enforcing city ordinances and policies, keep accurate details and records, provide clear communication and provide technical support to the City Council or Planning Commission through reports and presentations. This position is currently being evaluated for potential growth into a Community Development Director role, and serves under the general supervision of the City Administrator. This position is responsible, but not limited to the following duties:

### **Department Operations:**

- Monitor revenues and expenditures in assigned areas to assure sound fiscal control; prepare annual budget requests, assure effective and efficient use of budgeted funds, personnel, materials, facilities and time
- Determine work procedures, prepare work schedules, and expedite workflow; study and standardize procedures to improve efficiency and effectiveness of operations
- Attends City staff meetings, City Council meetings and advisory boards.

### **Community Planning:**

- 

---

3800\_Laverne Avenue North, Lake Elmo, Minnesota, 55042 \* 651.747.3900

Provide leadership and direction in the development of short and long-range plans related to growth management, land use, housing, transportation, park, trails, open space systems, public facilities or other issues to meet the City's needs and requirements of the intergovernmental agreements and or State legislation

- Formulate and administer the Comprehensive Plan
- Coordinate the comprehensive plan activities with the Metropolitan Council plan, state and county planning activities
- Develop and maintain Lake Elmo's economic development and redevelopment programs
- Supervise the evaluation of land use proposals for conformity to established plans and ordinances
- Identify strategic opportunities for the use of tax increment financing and other resources to attract and shape development within the City
- Prepares codes and ordinances, recommends amendments, fee structures, etc.
- Gather, interpret, and prepare data for studies, reports and recommendations; coordinates department activities with other departments and agencies as needed.
- Assist with designs for parks, streetscapes, landscapes and other municipal projects.

#### **Intergovernmental Coordination:**

- Monitor inter-governmental and legislative decisions affecting department operations and follow through with appropriate action
- Render technical advice to City officials and employees regarding community development, design standards, land use, and related aspects of physical, social and environmental planning

#### **Development Review:**

- Supervise the development review process for submittal of rezoning, subdivision, special use permit and site plan applications, through analysis of project proposals, preparation of staff reports and recommendations
- Interpret City codes and exercise judgement in applying requirements to cases which do not fit norms
- Deal with developers, design professionals, contractors, business people, citizens and property owners
- Handle controversial issues
- Insure the maintenance of accurate record keeping of departmental activities relating to licenses, permits, development projects and special studies
- Interpret and apply development regulations; identify gaps in the ordinance provisions and recommends ways to address these gaps; prepares ordinance revisions for consideration by City Council
- Work with the City Engineer to ensure that development projects are completed according to approved plans.

#### **Code Enforcement:**

- Supervise the enforcement of zoning, housing, and nuisance codes including the receiving of complaints, field investigations, preparation and notification letters and court orders, and possible testimony in court hearings to achieve code compliance
- Develop methods for dealing with chronic code enforcement issues and problem properties

#### **Supervisory Responsibilities:**

- Establishes and maintains policies and procedures for the Department
- Carries out supervisory duties in accordance with the City's policies and applicable laws
- Responsible for training, planning, assigning and directing work
-

- Responsible for evaluating performance, rewarding employees, disciplining employees
- Responsible for responding to grievances, addressing complaints and addressing problems of employees

While these are the primary focus of the position, we believe strongly in teamwork and employees will be called upon to perform a variety of duties as part of their role with the City.

## **Position Requirements**

### ***Knowledge, Skills and Abilities:***

- Extensive knowledge of community development programs and process, and the typical operations of a planning department
- Ability to supervise a complex set of department functions which involve several technical disciplines, and to manage a complicated work program so that demands are matched to resources
- Ability to think in a creative and strategic manner, to develop alternatives and specific program proposals designed to achieve effective results consistent with community goals
- Thorough knowledge of how to formulate, implement, and apply comprehensive plans and specials studies related to community development issues
- Thorough knowledge of how to develop, interpret, and apply development regulations, and to conduct code enforcement activities
- Ability to handle stressful situations and effectively deal with difficult or angry people
- Familiarity with the Community Development Block Grant program and other federal and state housing programs
- Familiarity of GIS system and how to utilize them in the operation of a planning department
- Ability to analyze situations and information, formulate alternatives, and use sound judgement in drawing conclusions and making decisions

***Education:*** four-year degree in Planning, Urban Studies, Geography, Landscape Architect, or related field

***Requirements:*** Minimum of five years' experience in public sector position and at least four years of supervisory experience. This position should also include in:

- Fully capable in word processing, spreadsheet, Geographic Information System (GIS) and other computer software
- Knowledge of principles of city planning and urban design
- Knowledge of techniques of problem solving, research procedures, and public relations
- Valid MN State Driver's License

### ***Desired Qualifications:***

- Master's Degree in Urban Planning, Landscape Architect, Geography or closely related field

**Physical and Mental Requirements:** Work is performed in both office and field settings. Some of the employee's time is spent in field inspection associated with code enforcement and development cases. Sufficient mobility is necessary to navigate natural terrain and construction sites. Visual acuity sufficient to evaluate field conditions, plans and drawings is necessary. Specific vision abilities required by this job include close vision, distance, vision, color vision, peripheral vision, depth perception, and the ability to adjust focus. Hand-eye coordination is necessary to operate computers and various pieces of office equipment.

*\*\*The physical demands described here are representative to those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations can be made to enable individuals with disabilities to perform the essential functions.*

**Working Conditions:** While performing duties of this job, the employee is required to sit, stand, walk, talk and hear, use hands to finger, handle, feel and operate objects, tools or controls. The employee must occasionally lift and/or move 40 pounds.

**Competencies Common to All City Positions:**

- Develop, maintain a thorough working knowledge of, and comply with all departmental and applicable City policies and procedures
- Demonstration by personal example the spirit of service, excellence, and integrity expected from all staff
- Develop respectful and cooperative working relationships with co-workers, including willing assistance to newer staff so job responsibilities can be performed with confidence as quickly as possible
- Confer regularly with and keep immediate supervisor informed of all important matters which pertain to the applicable job functions and responsibilities
- Represent the City of Lake Elmo in a professional manner to the public, outside contacts and constituencies

*\*\*The work environment characteristics described here are representative to those an employee encounters while performing essential functions of this job. Reasonable accommodations can be made to enable individuals with disabilities to perform the essential functions.*

PLEASE APPLY BY **CLOSING DATE: 12/29/17**

**SEND COVER LETTER, RESUME, LAKE ELMO APPLICATION AND REFERENCES TO:**

CITY OF LAKE ELMO

ATTN: Jake Foster, ASSISTANT CITY ADMINISTRATOR

3800 LAVERNE AVENUE NORTH, LAKE ELMO, MN 55042

PLEASE VISIT OUR WEBSITE AT **WWW.LAKEELMO.ORG** FOR ADDITIONAL INFORMATION/APPLICATION OR CONTACT US AT 651.747.3900

CITY OF LAKE ELMO IS AN EQUAL OPPORTUNITY EMPLOYER



## STAFF REPORT

DATE: December 5, 2017

**REGULAR**

Item #: 13

**AGENDA ITEM:** 2018 Street Improvements – Public Improvement Hearing; Resolution Ordering the Improvement and the Preparation of Plans and Specifications; Approve Engineering Services Contract

**SUBMITTED BY:** Jack Griffin, City Engineer

**REVIEWED BY:** Kristina Handt, City Administrator  
Brian Swanson, Finance Director  
Chad Isakson, Assistant City Engineer

---

**ISSUE BEFORE COUNCIL:** The City Council is respectfully requested to open the Public Improvement Hearing for the 2018 Street Improvements; and following the Hearing, consider adopting a Resolution Ordering the Improvement and the Preparation of Plans and Specifications; and awarding a Professional Engineering Design and Construction Support Services Contract.

**BACKGROUND:** Pursuant to Minnesota Statutes, Section 429.011 to 429.111, a Public Improvement Hearing was noticed for December 5, 2017, to consider making the improvements necessary to rehabilitate approximately 2.0 miles of residential streets including Jane Road North, from Lake Jane Trail North to Jamaca Avenue North, Jane Court North, from Jane Road North to dead end, Jamaca Avenue North, from Jane Road North to Jamaca Avenue North, Jerome Avenue North, from 49<sup>th</sup> Street North to 53<sup>rd</sup> Street North, Jerome Avenue Court North, from Jerome Avenue North to dead end, and 53<sup>rd</sup> Street North, from Jamaca Boulevard North to 9480 53<sup>rd</sup> Street North.

The attached notice was published in the official newspaper and individual notifications were sent to each address that will be wholly or partially assessed for the improvements.

A feasibility report was adopted by the City Council on November 7, 2017 in order to ready these improvements for 2018 construction. The feasibility report is needed to meet state statutory requirements if any portion of the project is to be assessed. The report identifies the necessary improvements, the estimated project costs, the assessment methodology and preliminary assessment amounts to be levied against benefitting properties.

**PROPOSAL DETAILS/ANALYSIS:** The total estimated project cost is \$1,229,000. The improvements would be partially assessed against the benefitting properties consistent with the City's Special Assessment Policy. Street and drainage improvements are assessed at a rate of 30% of the total project costs for residential properties using a unit method. Residential properties are considered to provide an equal demand on street use and are therefore assessed on a per unit basis. The remaining 70% of the project costs are paid through the City general fund. Residential properties along Jane Road North, Jane Court North, Jamaca Avenue North, Jerome Avenue North, Jerome Avenue Court North, and 53<sup>rd</sup> Street North with direct access to the street are included as benefitting properties. Each property is assessed one unit unless the property has the ability to be subdivided using the current underlying land use and zoning regulations. The city planning department reviews larger parcels to determine if a parcel can be subdivided and the number of

lots that could be obtained. Corner lots are assessed a partial unit according to the assessment policy, typically 50%.

The preliminary assessment rolls detailing each property's proposed assessment amount are included in the Appendix of the report and are attached to this agenda report. Assessments for street and drainage improvements will be levied over a 15-year period. Assessments will be charged an interest rate of 1% over the bond rate for the project.

To complete the engineering design, the City Engineer prepared and sent out a Request for Proposal (RFP) for the Engineering Support Services that include topographic survey, the preparation of plans and specifications; plan printing, distribution and bidding services; construction administration support to the city engineer, and construction staking. FOCUS Engineering will provide council communication, project management, and construction administration and observation services for the project. FOCUS will also oversee the project design standards and documents to be incorporated with the project plans and specifications.

The RFP was sent to three firms from the city's Engineering Consultant Pool, including Bolton and Menk, TKDA and SEH. Proposals were received on December 1, 2017 and were ranked as follows:

- Project Team Qualifications with a focus on a Project Manager capable of leading and delivering a cost effective street reclaim design.
- Demonstrated understanding and experience with the project and understanding of the critical success factors.
- Understanding the scope of work and roles and responsibilities of the Consultant.
- Collaboration of skills and responsiveness demonstrated during the RFP submittal process and:
- Engineering Fees, indicating a detailed breakdown that is consistent with the Consultant's written proposal and the needs for delivery of a successful project.

Since the proposals were received after this agenda report was due for council packet, a Proposal Fee Summary and City Engineer recommendation will be presented at the meeting for council consideration.

**FISCAL IMPACT:** The 2018 Street Improvements is an estimated \$1,229,000 infrastructure project that will be partially assessed against the benefitting properties consistent with the City's Special Assessment Policy. The project is funded through the issuance of general obligation bonds and special assessments. Ordering the Improvements and authorizing the preparation of plans and specifications commits the City to incur the engineering costs necessary to complete detailed design and receive contractor bids to ready the project for construction in 2018. The council will be asked to award a contract for construction in May 2018, at which time the City would be asked to commit to the remaining project costs.

**OPTIONS:**

1. Adopt the Resolution and motions as presented to proceed with the 2018 Street Improvements as outlined in the Feasibility Report approved on November 7, 2017.
2. Following public input, amend any portion of the recommended improvements or recommendations of the Feasibility Report and adopt an amended Feasibility Report along with an amended Resolution and/or motions accordingly.
3. Take no action thereby cancelling the 2018 Street Improvements and direct staff for reprogramming these improvements within the Capital Improvement Plan.

**RECOMMENDATION:** Staff is recommending that the City Council adopt a Resolution Ordering the Improvements and the Preparation of Plans and Specifications for the 2018 Street Improvements. The recommended motion for this action is as follows:

*“Move to adopt Resolution No. 2017-134 Ordering the 2018 Street Improvements and the Preparation of Plans and Specifications.”*

Staff is also recommending that the City Council award a Professional Engineering Design and Construction Support Services Contract for the 2018 Street Improvements. A staff recommendation will be presented at the meeting. The recommended motion for this action is as follows:

*“Move to approve a Professional Engineering Design and Construction Support Services Contract to \_\_\_\_\_ in the not to exceed amount of \$ \_\_\_\_\_ for the 2018 Street Improvements.”*

**ATTACHMENTS:**

1. Resolution 2017-134 Ordering the Improvements and Preparation of Plans and Specifications.
2. Notice of Hearing on Improvement.
3. Preliminary Assessment Roll.
4. Location Map.
5. Project Schedule.

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-134**

**A RESOLUTION ORDERING THE IMPROVEMENT AND  
PREPARATION OF PLANS AND SPECIFICATIONS FOR THE  
2018 STREET IMPROVEMENTS**

**WHEREAS**, pursuant to city council authorization, adopted on November 7, 2017, the council ordered a hearing on improvement for the 2018 Street Improvements; and

**WHEREAS**, ten days mailed notice and two weeks published notice of the hearing was given, and the hearing was held thereon on the 5th day of December 2017, at which all persons desiring to be heard were given the opportunity to be heard thereon; and

**WHEREAS**, the feasibility report prepared by FOCUS Engineering, Inc., and dated October 2017 states that the project is necessary, cost-effective, and feasible.

**NOW, THEREFORE, BE IT RESOLVED,**

1. Such improvement is deemed necessary, cost-effective, and feasible as detailed in the Feasibility Report dated October 2017.
2. Such improvement is hereby ordered as proposed in the council resolution adopted this 5th day of December, 2017.
3. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.
4. The city engineer is hereby designated as the engineer for making this improvement. The engineer, and his consultants, shall oversee the preparation of the Plans and Specifications for the making of such improvement.
5. The city engineer shall retain the services of a consulting engineering firm to assist, where needed, to prepare Plans and Specifications for the making of such improvement and to assist the city engineer during the construction phase of the improvement as requested.

**ADOPTED BY THE LAKE ELMO CITY COUNCIL ON THE FIFTH DAY OF DECEMBER  
2017.**

**CITY OF LAKE ELMO**

By: \_\_\_\_\_  
Mike Pearson  
Mayor

(Seal)  
ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk

**CITY OF LAKE ELMO  
NOTICE OF HEARING ON IMPROVEMENT  
2018 STREET IMPROVEMENTS**

Notice is hereby given that the City Council of Lake Elmo will meet in the council chambers of the city hall at or approximately after 7:00 P.M. on **Tuesday, December 5, 2017**, to consider the making of the following improvements, pursuant to Minnesota Statutes, Sections 429.011 to 429.111;

Street and drainage improvements including a new bituminous pavement supported by a renewed recycled aggregate base with new concrete curb and gutter, and a repair or restoration of the existing street drainage system for the following streets:

- Jane Road North, from Lake Jane Trail North to Jamaca Avenue North.
- Jane Court North, from Jane Road North to dead end.
- Jamaca Avenue North, from Jane Road North to Jamaca Avenue North.
- Jerome Avenue North, from 49<sup>th</sup> Street North to 53<sup>rd</sup> Street North.
- Jerome Avenue Court North, from Jerome Avenue North to dead end.
- 53<sup>rd</sup> Street North, from Jamaca Boulevard North to 9480 53<sup>rd</sup> Street North.

The area proposed to be assessed for these improvements include properties abutting the above referenced streets or properties that gain direct driveway access from the above referenced streets. The estimated total cost for the project is \$1,229,000. A reasonable estimate of the impact of the assessment will be available at the hearing. Such persons as desiring to be heard with reference to the proposed improvements will be heard at this meeting.

**DATED: November 7, 2017**

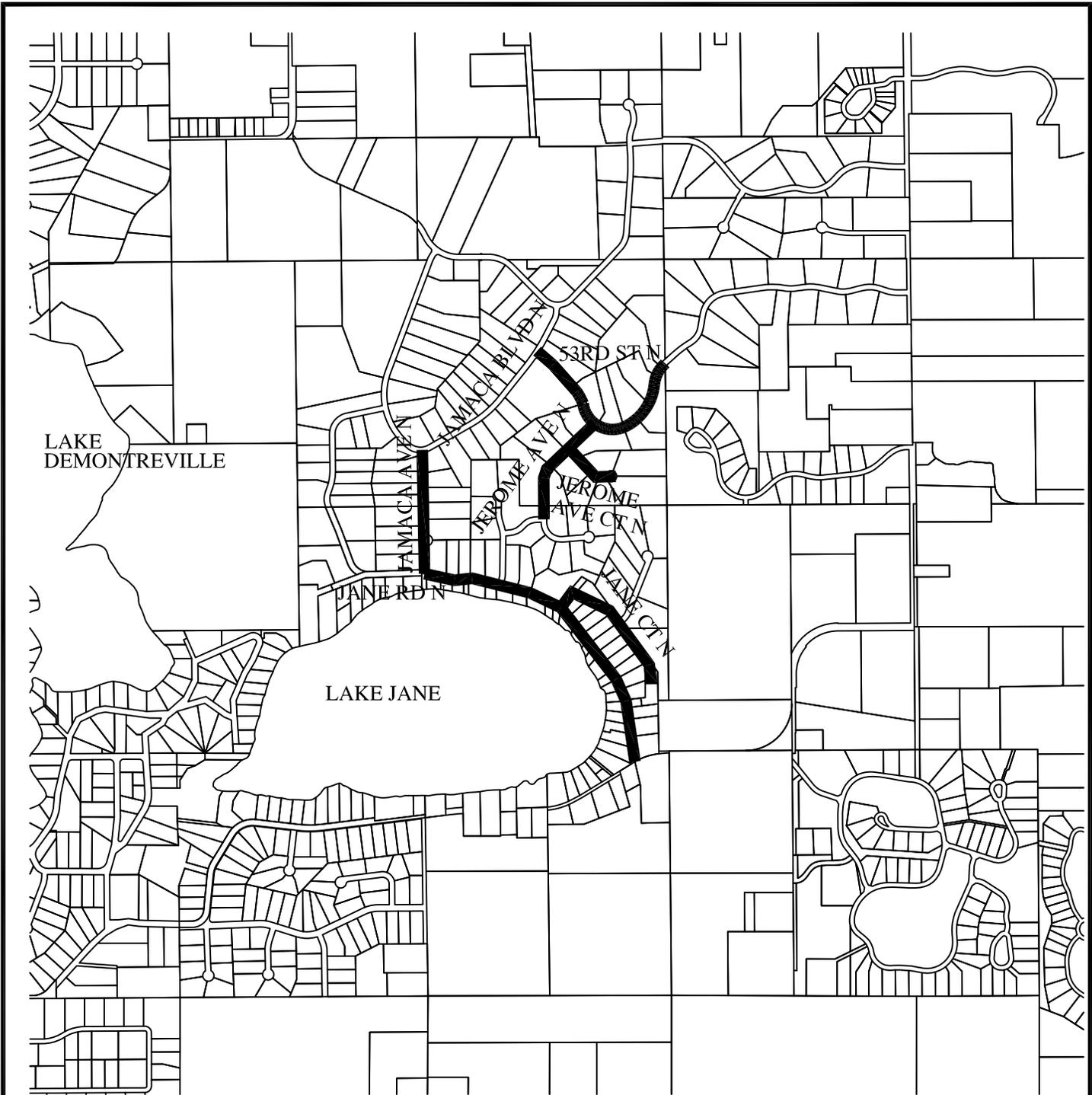
**BY ORDER OF THE LAKE ELMO CITY COUNCIL**

**Mike Pearson, Mayor**

*(Published in the Oakdale/Lake Elmo Review on November 15, 2017 and November 22, 2017)*

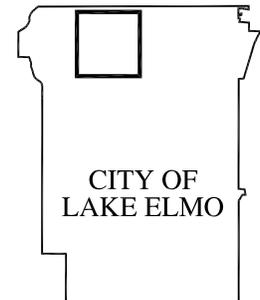
| NO.   | NAME                           | ADDRESS        | MAILING ADDRESS                             | PID           | AMOUNT        |
|---|--------------------------------|----------------|---|---------------|---------------|
| <b>JANE ROAD N: LAKE JANE TRAIL N TO JAMACA AVE N</b> |                                |                |   |               |               |
| 1   | TRS AGR JEFFERY & LEEANN LEITC | 9025 JANE RD N | 9025 JANE RD N LAKE ELMO MN 55042           | 1002921220003 | \$5,000.00    |
| 2   | BRASH JASON M & TARA M         | 9030 JANE RD N | 9030 JANE RD N LAKE ELMO MN 55042           | 1002921220010 | \$5,000.00    |
| 3   | KENNEDY KIRBY A & MARILYN J    | 9051 JANE RD N | 9051 JANE RD N LAKE ELMO MN 55042           | 1002921220014 | \$5,000.00    |
| 4   | HOMNICK PAUL & KATELYNN KEIR   | 9060 JANE RD N | 9060 JANE RD N LAKE ELMO MN 55042           | 1002921220009 | \$5,000.00    |
| 5   | THOMPSON JAMES E & DENISE M EL | 9077 JANE RD N | 9077 JANE RD N LAKE ELMO MN 55042           | 1002921220015 | \$5,000.00    |
| 6   | MECHELKE RENEE F               | 9090 JANE RD N | 9090 JANE RD N LAKE ELMO MN 55042           | 1002921220008 | \$5,000.00    |
| 7   | ZITON DEXTER J & TONI E        | 9109 JANE RD N | 9109 JANE RD N LAKE ELMO MN 55042           | 1002921220004 | \$5,000.00    |
| 8   | BAUERFELD WARREN JR & BARBARA  | 9112 JANE RD N | 9112 JANE RD N LAKE ELMO MN 55042           | 1002921220017 | \$5,000.00    |
| 9   | O'SULLIVAN BASIL J JR          | 9133 JANE RD N | 9133 JANE RD N LAKE ELMO MN 55042           | 1002921220006 | \$5,000.00    |
| 10  | SINGER DONALD R & LORETTA L    | 9161 JANE RD N | 9161 JANE RD N LAKE ELMO MN 55042           | 1002921220005 | \$5,000.00    |
| 11  | KLECKER KATHRYN A              | 9199 JANE RD N | 9199 JANE RD N LAKE ELMO MN 55042           | 1002921220002 | \$5,000.00    |
| 12  | QUINN LISA J & TERENCE S       | 9220 JANE RD N | 9220 JANE RD N LAKE ELMO MN 55042           | 1002921220019 | \$5,000.00    |
| 13  | MARTIN DOROTHY L               | 9233 JANE RD N | 9233 JANE RD N LAKE ELMO MN 55042           | 1002921220001 | \$5,000.00    |
| 14  | OLSEN BRIAN R & DEANA M        | 9287 JANE RD N | 9287 JANE RD N LAKE ELMO MN 55042           | 1002921210003 | \$5,000.00    |
| 15  | DROMMERHAUSEN SCOTT A & JULIE  | 9359 JANE RD N | 9359 JANE RD N LAKE ELMO MN 55042           | 1002921240006 | \$5,000.00    |
| 16  | OFFORD DAVID R & HEIDE M       | 9369 JANE RD N | 9369 JANE RD N LAKE ELMO MN 55042           | 1002921240007 | \$5,000.00    |
| 17  | TRAN NANG TRI & THU HUONG      | 9393 JANE RD N | 7970 DEMONTREVILLE TRL N LAKE ELMO MN 55042 | 1002921240008 | \$5,000.00    |
| 18  | VANDEMMELTRAADT MARK & SHARON  | 9397 JANE RD N | 9399 JANE RD N LAKE ELMO MN 55042           | 1002921240009 | \$5,000.00    |
| 19  | KOREN CHRISTOPHER              | 9406 JANE RD N | 9406 JANE RD N LAKE ELMO MN 55042           | 1002921240020 | \$5,000.00    |
| 20  | FOSTER DOUGLAS A & JILL M      | 9409 JANE RD N | 9409 JANE RD N LAKE ELMO MN 55042           | 1002921240010 | \$5,000.00    |
| 21  | HAMERLY JOHN P & LAURIE J      | 9429 JANE RD N | 9429 JANE RD N LAKE ELMO MN 55042           | 1002921240011 | \$5,000.00    |
| 22  | VOSBERG DARYL E & HEIDY M      | 9436 JANE RD N | 9436 JANE RD N LAKE ELMO MN 55042           | 1002921240033 | \$5,000.00    |
| 23  | KIMLINGER GARY P & REBECCA L   | 9461 JANE RD N | 9461 JANE RD N LAKE ELMO MN 55042           | 1002921240013 | \$5,000.00    |
| 24  | HEROFF GERALD S JR & LISA M    | 9477 JANE RD N | 9477 JANE RD N LAKE ELMO MN 55042           | 1002921240012 | \$5,000.00    |
| 25  | AARON R & JESSICA A RUNK LIV T | 9497 JANE RD N | 9497 JANE RD N LAKE ELMO MN 55042           | 1002921240015 | \$5,000.00    |
| 26  | FUHRMAN MARINA                 | 9498 JANE RD N | 9498 JANE RD N LAKE ELMO MN 55042           | 1002921240032 | \$5,000.00    |
| <b>JANE COURT N: JANE ROAD N TO DEAD END</b>          |                                |                |   |               |               |
| 27  | DEGERSTROM JAMES & ROSE STARK  | 9260 JANE CT N | 9260 JANE CT N LAKE ELMO MN 55042           | 1002921210017 | \$5,000.00    |
| 28  | SCHOONOVER GARY W & GRACE      | 9317 JANE CT N | 9317 JANE CT N LAKE ELMO MN 55042           | 1002921210006 | \$5,000.00    |
| 29  | HAU DONALD M & VALERIE SUE     | 9330 JANE CT N | 9330 JANE CT N LAKE ELMO MN 55042           | 1002921210008 | \$5,000.00    |
| 30  | MORGAN SPENCER L & DAVID H     | 9337 JANE CT N | 9337 JANE CT N LAKE ELMO MN 55042           | 1002921210005 | \$5,000.00    |
| 31  | CREPEAU ALIXANDRA & ERIC POPPE | 9357 JANE CT N | 9357 JANE CT N LAKE ELMO MN 55042           | 1002921210004 | \$5,000.00    |
| 32  | BENESCH GREGORY P              | 9377 JANE CT N | 9377 JANE CT N LAKE ELMO MN 55042           | 1002921240027 | \$5,000.00    |
| 33  | FORSTER STEVEN C & JANE E      | 9397 JANE CT N | 9397 JANE CT N LAKE ELMO MN 55042           | 1002921240026 | \$5,000.00    |
| 34  | WALFOORT MICHAEL R             | 9407 JANE CT N | 9407 JANE CT N LAKE ELMO MN 55042           | 1002921240025 | \$5,000.00    |
| 35  | VINCENT M HARNICK TRS          | 9417 JANE CT N | 9417 JANE CT N LAKE ELMO MN 55042           | 1002921240024 | \$5,000.00    |
| 36  | COLIANNI JOSEPH W & MARSHA K   | 9427 JANE CT N | 9427 JANE CT N LAKE ELMO MN 55042           | 1002921240023 | \$5,000.00    |
| 37  | PAULSON THOMAS E & BONNIE J    | 9437 JANE CT N | 9437 JANE CT N LAKE ELMO MN 55042           | 1002921240022 | \$5,000.00    |
| 38  | BURKHART DAVID & LISA ANDREW-B | 9447 JANE CT N | 9447 JANE CT N LAKE ELMO MN 55042           | 1002921240021 | \$5,000.00    |
| 39  | BURRESS PATRICK M & SHAWN M    | 9441 JANE CT N | 9441 JANE CT N LAKE ELMO MN 55042           | 1002921240029 | \$5,000.00    |
| 40  | BARRERA SUSAN M                | 9420 JANE CT N | 9420 JANE CT N LAKE ELMO MN 55042           | 1002921240031 | \$10,000.00   |
| SUBTOTAL  |                                |                |   |               | \$ 205,000.00 |

| NO.   | NAME                           | ADDRESS                    | MAILING ADDRESS                         | PID           | AMOUNT        |
|---|--------------------------------|----------------------------|---|---------------|---------------|
| <b>JAMACA AVE N: JANE ROAD N TO JAMACA AVE N</b>                          |                                |                            |   |               |               |
| 41  | KOSTICHKA STEVEN D & HILARY S  | 4940 JAMACA AVE N          | 4940 JAMACA AVE N LAKE ELMO MN          | 0902921110017 | \$5,000.00    |
| 42  | HUOT PAUL F & JEANINE E        | 4955 JAMACA AVE N          | 4955 JAMACA AVE N LAKE ELMO MN          | 1002921220011 | \$5,000.00    |
| 43  | MAXEY JOSEPH D & PATRICIA M    | 4960 JAMACA AVE N          | 4960 JAMACA AVE N LAKE ELMO MN          | 0902921110018 | \$5,000.00    |
| 44  | JACKSON GERALD A & DEBRA A     | 4990 JAMACA AVE N          | 4990 JAMACA AVE N LAKE ELMO MN          | 0902921110019 | \$5,000.00    |
| 45  | MARY QUANBECK BARBER TRS       | 4995 JAMACA AVE N          | 4995 JAMACA AVE N LAKE ELMO MN          | 1002921220012 | \$5,000.00    |
| 46  | CODERRE JAMES C & CHERYL A     | 5020 JAMACA AVE N          | 5020 JAMACA AVE N LAKE ELMO MN          | 0402921440003 | \$5,000.00    |
| 47  | CLAUDE E CYBULSKI TRS          | 5025 JAMACA AVE N          | 5025 JAMACA AVE N LAKE ELMO MN          | 0302921330007 | \$5,000.00    |
| 48  | FOSSEY MITCHELL S & AMY B      | 5040 JAMACA AVE N          | 5040 JAMACA AVE N LAKE ELMO MN          | 0402921440004 | \$5,000.00    |
| 49  | NEBUR MICHAEL J & LINDA S GILB | 5055 JAMACA AVE N          | 5055 JAMACA AVE N LAKE ELMO MN          | 0302921330008 | \$5,000.00    |
| 50  | PETERSON ELIZABETH & BJORN     | 5060 JAMACA AVE N          | 5060 JAMACA AVE N LAKE ELMO MN          | 0402921440005 | \$5,000.00    |
| 51  | RESEMIUS WILLIAM H & MARY B    | 5080 JAMACA AVE N          | 5080 JAMACA AVE N LAKE ELMO MN          | 0402921440006 | \$5,000.00    |
| 52  | GROSS CHRISTOPHER L & KATHLEEN | 5111 JAMACA BLVD N         | 5111 JAMACA BLVD N LAKE ELMO MN         | 0302921330009 | \$2,500.00    |
| <b>JEROME AVE N: 49<sup>TH</sup> ST N TO 53<sup>RD</sup> ST N</b>         |                                |                            |   |               |               |
| 53  | SRIENC FRIEDRICH & IWONA T     | 4955 JEROME AVE N          | 4955 JEROME AVE N LAKE ELMO MN          | 1002921210023 | \$5,000.00    |
| 54  | MARTIN NAOMI J & DAVID         | 5055 JEROME AVE N          | 5055 JEROME AVE N LAKE ELMO MN          | 0302921340006 | \$5,000.00    |
| 55  | WEBBER WALTER J & DORIS L      | 5080 JEROME AVE N          | 5080 JEROME AVE N LAKE ELMO MN          | 0302921330016 | \$5,000.00    |
| 56  | KRAHN RICHARD R & ELEANOR L    | 5170 JEROME AVE N          | 5170 JEROME AVE N LAKE ELMO MN          | 0302921330015 | \$5,000.00    |
| 57  | JEAN GRAY DUNBAR TRS AGR       | 5230 JEROME AVE N          | 5230 JEROME AVE N LAKE ELMO MN          | 0302921340005 | \$5,000.00    |
| 58  | AMUNDSON RODNEY E & CAROL F    | 5277 JEROME AVE N          | 5277 JEROME AVE N LAKE ELMO MN          | 0302921340013 | \$5,000.00    |
| <b>JEROME AVE CT N: JEROME AVE N TO DEAD END</b>                          |                                |                            |   |               |               |
| 59  | KROUSE RUSHFORD W & MARY W     | 5217 JEROME AVE CT N       | 5217 JEROME AVE CT N LAKE ELMO MN       | 0302921340007 | \$5,000.00    |
| 60  | GRAVES CHARLES W & CAROL A     | 5227 JEROME AVE CT N       | 5227 JEROME AVE CT N LAKE ELMO MN       | 0302921340008 | \$5,000.00    |
| 61  | ABBOTT MICHAEL W & MARIANNE M  | 5237 JEROME AVE CT N       | 5237 JEROME AVE CT N LAKE ELMO MN       | 0302921340009 | \$5,000.00    |
| 62  | MELIN GARY R & ELIZABETH       | 5247 JEROME AVE CT N       | 5247 JEROME AVE CT N LAKE ELMO MN       | 0302921340010 | \$5,000.00    |
| 63  | MONSON FAMILY LIVING TRS       | 5257 JEROME AVE CT N       | 5257 JEROME AVE CT N LAKE ELMO MN       | 0302921340011 | \$5,000.00    |
| 64  | SPOFFORD NEIL K & MARGARET A   | 5267 JEROME AVE CT N       | 5267 JEROME AVE CT N LAKE ELMO MN       | 0302921340012 | \$5,000.00    |
| <b>53<sup>RD</sup> STREET: JAMACA BLVD N TO 9480 53<sup>RD</sup> ST N</b> |                                |                            |   |               |               |
| 65  | CITY OF LAKE ELMO              |                            | 3800 LAVERNE AVE N LAKE ELMO MN         | 0302921330001 | \$10,000.00   |
| 66  | FANG RICHARD S & MARY K        | 9220 53 <sup>RD</sup> ST N | PO BOX 73 LAKE ELMO MN                  | 0302921310006 | \$5,000.00    |
| 67  | ALME DENNIS F & COLLEEN C      | 9280 53 <sup>RD</sup> ST N | 9280 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340003 | \$5,000.00    |
| 68  | CROSS SUE E                    | 9287 53 <sup>RD</sup> ST N | 9287 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340004 | \$5,000.00    |
| 69  | JOHN W THATCHER TRS & LAVERNE  | 9320 53 <sup>RD</sup> ST N | 9320 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340002 | \$5,000.00    |
| 70  | EDITH JOAN NICHOLSON TRS       | 9355 53 <sup>RD</sup> ST N | 9355 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340014 | \$5,000.00    |
| 71  | WEGWERTH RUSSELL W & JANA L    | 9377 53 <sup>RD</sup> ST N | 9377 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340015 | \$5,000.00    |
| 72  | PETERSON DALE D & JACLYN G     | 9380 53 <sup>RD</sup> ST N | 9380 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921340001 | \$5,000.00    |
| 73  | HINIKER JAMES & KATHRYN ROBERT | 9400 53 <sup>RD</sup> ST N | 9400 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921310005 | \$5,000.00    |
| 74  | GIERKE CATHY J L & CHARLES H   | 9440 53 <sup>RD</sup> ST N | 9440 53 <sup>RD</sup> ST N LAKE ELMO MN | 0302921310004 | \$5,000.00    |
| SUBTOTAL  |                                |                            |   |               | \$ 172,500.00 |



**LEGEND**

 2018 STREET IMPROVEMENTS



PROJECT SCHEDULE  
CITY OF LAKE ELMO

**FOCUS** ENGINEERING, inc.

Cara Geheren, P.E. 651.300.4261  
Jack Griffin, P.E. 651.300.4264  
Ryan Stempki, P.E. 651.300.4267  
Chad Isakson, P.E. 651.300.4283

2018 STREET IMPROVEMENTS  
PROJECT NO. 2017.156

*OCTOBER 2017*

---

- AUGUST 15, 2017 Council authorizes Feasibility Report.
- NOVEMBER 7, 2017 Presentation of Feasibility Report. Council accepts Report and calls Hearing.
- DECEMBER 5, 2017 Public Improvement Hearing. Council Orders the Improvement and orders the preparation of Plans and Specifications (Requires 4/5<sup>th</sup> vote).
- MARCH 20, 2018 Council approves Plans and Specifications and orders Advertisement for Bids.
- APRIL 19, 2018 Receive Contractor Bids.
- MAY 1, 2018 Council accepts Bids and awards Contract.
- MAY 28, 2018 Conduct Pre-Construction Meeting and issue Notice to Proceed.
- SEPTEMBER 21, 2018 Substantial Completion.
  - OCTOBER 26, 2018 Final Completion.



## STAFF REPORT

DATE: 11/21/17

**REGULAR**

ITEM #: 14

**TO:** City Council  
**FROM:** Emily Becker, Planning Director  
**AGENDA ITEM:** Draft Findings of Fact for Recommendation of Denial of Comprehensive Plan Amendment to Re-Guide a Portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential and General Planned Unit Development Concept Plan for Continental Properties  
**REVIEWED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

On September 25, 2017, the Planning Commission recommended denial 7-0 of the requests from Continental 419 Fund LLC c/o Gwyn Wheeler for approval of a Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential along with a General Planned Unit Development (PUD) Concept Plan for a 300 unit multi-family development on a 21.60 acre parcel to be called Springs Apartments.

The Planning Commission did not draft recommended findings of fact to present to Council. On October 17, 2017, the Council considered the requests. Staff had prepared findings of fact and drafted Resolutions for denial to present to Council, along with findings of fact and draft Resolutions for approval, but Council requested that the item go back to the Planning Commission so that they would prepare findings of fact for denial. The Planning Commission again discussed the proposed Comprehensive Plan Amendment and Concept PUD Plan at its November 13, 2017 meeting.

### **ISSUE BEFORE COUNCIL:**

The Commission is being asked to review and either approve or deny the proposed Comprehensive Plan Amendment and Concept PUD Plans request by Continental.

### **PROPOSAL DETAILS/ANALYSIS:**

The staff report that was presented to the Council on October 17, 2017 is attached. Updates that have occurred since this Staff report was drafted include the following:

- **Total Acreage.** Continental indicated on their application that the total acreage of the proposed development is 21.6 acres. However, that area is less the right-of-way of the site for both 5<sup>th</sup> Street and the future road as proposed to the west of the development. The Metropolitan Council calculates net density by taking the minimum number of planned housing units and dividing by the net acreage. The net acreage does not include land covered by wetlands, water bodies, public parks and trails, public open space, arterial road rights-of-way, and other developable acres identified in or protected by local ordinances such as steep slopes. 5<sup>th</sup> Street North is a collector

street, and the future proposed road would be a local road, both of which are not part of the metropolitan highway system. Therefore, this cannot be taken out to determine net density. Further, there are no wetlands and water bodies on the property nor are public parks or protected open space proposed. As such, the total acreage of the site is actually 27.49 acres, not 21.6 acres.

- **Density.** Because the total acreage of the site is higher than originally thought, the net density of the site is actually 10.91 units per acre, not 13.89 as originally stated.
- **Proposed Amenities.** The Applicant has proposed that they would be willing to make a contribution to the signal for the planned future signal at the intersection of Keats Avenue North and Hudson Blvd N. This signal is estimated to cost the City approximately \$500,000. The exact contribution the applicant is willing to contribute is yet to be determined.
- **Reallocating Area for Planned Urban High Density Residential Land Use.** Met Council's 2015 System Statement indicates that 508 affordable housing units are required for the years 2021-2030. The Met Council will count land guided as high density towards these numbers, provided the density is at least eight units per acre. Because this development, if approved, would occur prior to 2021, this development would not count towards those numbers. The current 2030 Comprehensive Plan does guide sufficient acreage for high density housing to support the 508 units required for the years 2021-2030. However, the current Comprehensive Plan also shows that 118.26 acres of land was to develop as high density land use between the years 2012-2020. This has not yet occurred. The Met Council has indicated that because these 118.26 acres would then shift towards the years 2021-2030 and beyond, that the City could then "switch out" areas that are currently planned for high density with this development (though they have stated that they would not recommend this).
- **Totlot.** The Planning Commission recommended that if the Council approved the Comprehensive Plan Amendment, that as a condition of approval, the Parks Commission review the proposed plan and make recommendation on whether a private totlot should be included within the development. The Parks Commission reviewed the proposed development on October 16, 2017 and recommended that the City accept fees in lieu of parkland dedication; that a trail be included on the future road in place of the proposed sidewalk; and that the development not include a private totlot, as the demographics of similar developments that Continental have executed do not indicate a need for a totlot.

**Planning Commission Review 11/13/17.** As previously stated, the Planning Commission again reviewed the proposed Comprehensive Plan Amendment and Concept PUD Plan and drafted the following findings of fact for denial:

- 1) That the land guided as Urban Medium Density is a sufficient gradation from Urban Low Density Residential to Commercial.
- 2) That approximately 70 residents, mostly from an adjacent development, signed and submitted a petition opposing the proposed Comprehensive Plan Amendment.
- 3) That no benefit to the City has been proposed that is significant enough to warrant an increase in density afforded by a Comprehensive Plan Amendment.
- 4) There are other properties along the I-94 corridor that are guided for Urban High Density Residential.

**Application Deadline.** The application was received by the City on August 25, 2017. The 60 day review period was up on October 24, 2017. An extension letter was sent to the applicant, and the final deadline for action is December 23, 2017.

#### **FISCAL IMPACT:**

There would be no fiscal impact to the City at this time, as the developer would be required to pay for any amendments needed to accommodate the increase in REC units. Concept Plan approval does not afford the applicant development rights. When the property develops, it will have urban services and will pay sewer and water connection charges, building permit fees and the like.

## **OPTIONS:**

The Council may:

- Deny the proposed Comprehensive Plan Amendment and Concept PUD Plan with findings of fact as drafted by Staff.
- Amend findings of fact as drafted by Staff in the Resolutions denying the proposed Comprehensive Plan Amendment and Concept PUD Plan and adopt Resolutions as amended.
- Approve the proposed Comprehensive Plan Amendment and Concept PUD Plan with findings of fact and conditions as proposed by Staff.
- Amend the Staff-proposed findings of fact and conditions of approval the proposed Comprehensive Plan Amendment and Concept PUD Plan and approve with amended findings of fact and conditions of approval.
- Approve the proposed Comprehensive Plan Amendment and deny the proposed Concept PUD Plan.

## **RECOMMENDATION:**

If it pleases the Council to deny an amendment of the Land Use Plan of the Comprehensive Plan, re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-112 denying a Comprehensive Plan Amendment re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC.”***

If it pleases the Council to approve an amendment of the Land Use Plan of the Comprehensive Plan, re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC subject to recommended conditions of approval, Staff recommends the following motion.

***“Motion to adopt Resolution 2017-112 approving a Comprehensive Plan Amendment re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC, subject to recommended conditions of approval.”***

If it pleases the Council to deny the proposed Comprehensive Plan Amendment, the proposed PUD Concept Plan should also be denied, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-113 denying the PUD Concept Plan as requested by Continental 419 Fund LLC for PID# 34.029.21.43.0003 with recommended conditions of approval.”***

If it pleases the Council to approve the proposed PUD Concept Plan as requested by Continental 419 Fund LLC, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-113 approving the PUD Concept Plan as requested by Continental 419 Fund LLC for PID# 34.029.21.43.0003, subject to recommended conditions of approval.”***

## **ATTACHMENTS:**

- 10/17/17 meeting packet (regarding subject request)
- Draft Resolutions for denial and approval 2 of 2017-112 and 2 of 2017-113 (4 total)



## STAFF REPORT

DATE: 10/17/17

**REGULAR**

ITEM #: 26

**TO:** City Council  
**FROM:** Emily Becker, Planning Director  
**AGENDA ITEM:** Comprehensive Plan Amendment to Re-Guide a Portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential and General Planned Unit Development Concept Plan for Continental Properties  
**REVIEWED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

The City has received a request from Continental 419 Fund LLC c/o Gwyn Wheeler for approval of a Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential along with a General Planned Unit Development (PUD) Concept Plan for a 300 unit multi-family development on a 21.60 acre parcel to be called Springs Apartments.

### **ISSUE BEFORE COUNCIL:**

The Council is being asked to review the above-mentioned requests from Continental 419 Fund LLC c/o Gwyn Wheeler.

### **PROPOSAL DETAILS/ANALYSIS:**

#### **General Information.**

- *Property Owner:* DPS-Lake Elmo, LLC of 6007 Culligan Way, Minnetonka, MN 55345
- *Location:* South of the Savona development and North of Hudson Blvd. N
- *Current Site Area:* 39.88 acres
- *Land Use Guidance:* Urban Medium Density Residential on the northern portion of the property and Commercial on the southern portion
- *Zoning:* Rural Development Transitional
- *Surrounding Land Use Guidance:* Commercial and Urban Medium Density Residential to the East, Urban Low Density Residential to the North, Urban Medium Density Residential to the West, and Commercial to the South.
- *History:* The property has been used as rural vacant land.

### **COMPREHENSIVE PLAN AMENDMENT**

**Reason for Request.** The proposed gross density of the project will be 13.89 units per acre, and the area in which the development is proposed is guided for Urban Medium Density Residential at a density of 4.5-7 units per acre. The City's Urban High Density Land Use category allows for a density of 7.5-15

units per acre, and so the applicant has proposed amending the land use category of a portion of the subject property to Urban High Density.

**Current Land Use Guidance.** The subject parcel is currently guided for Medium Density Residential on the northern portion of the parcel and Commercial on the southern portion of the parcel. The area of the subject parcel that is guided for Urban Medium Density Residential is 28.73 acres, and so depending on the amount of land taken out to determine net density, approximately 170-201 units could go in this area using the maximum of 7 units per acre allowed within this land use guidance. Additionally, with a PUD, an increase of up to 20% density could be allowed, increasing that amount to 204-241. The following uses are allowed within the Urban Medium Density Residential zoning district:

- Single-family detached dwelling (permitted)
- Two-family dwelling (permitted)
- Single-family attached dwelling (permitted)
- Multi-family dwelling (conditional)
- Secondary dwelling (conditional)
- Manufactured home park (conditional)
- Group home (permitted)
- Group residential facility (conditional)
- Congregate housing (conditional)
- Semi-transient accommodations (conditional)
- Day care center (conditional)
- Schools, public, and private (conditional)
- Wayside stands (permitted)
- Parks and open spaces (permitted)
- Broadcasting or communication facility (conditional)

The following accessory uses are also allowed:

- Home occupation (permitted)
- Bed and breakfast (conditional)
- Family day care (permitted)
- Group family day care (conditional)
- Temporary sales (permitted)
- Other structures typically incidental and clearly subordinate to permitted uses

The proposed land use (Urban High Density Residential) and rezoning would allow the following uses:

- Single-family detached dwelling (permitted)
- Two-family dwelling (permitted)
- Single-family attached dwelling (permitted)
- Multi-family dwelling (permitted)
- Secondary dwelling (conditional)
- Group home (permitted)
- Group residential facility (conditional)
- Halfway house (conditional)
- Congregate housing (conditional)
- Semi-transient accommodations (conditional)
- Community services (conditional)
- Day care center (conditional)
- Schools, public, and private (conditional)
- Office (conditional)
- Funeral home (conditional)
- Personal services (conditional)
- Nursing and personal care (conditional)

- Neighborhood convenience store (conditional)
- Wayside stands (permitted)
- Parks and open spaces (permitted)
- Broadcasting or communication facility (conditional)

The following accessory uses are also allowed:

- Home occupation (permitted)
- Bed and breakfast (conditional)
- Family day care (permitted)
- Group family day care (conditional)
- Parking facility (conditional)
- Temporary sales (permitted)
- Other structures typically incidental and clearly subordinate to permitted uses

**Comprehensive Plan Amendment Requirements by the Metropolitan Council (Met Council).** Before submitting a Comprehensive Plan Amendment request to the Met Council for approval, a City must first submit for review by the Planning Commission, obtain local governing body authorization for the amendment to be submitted for Metropolitan Council review, and have adjacent governmental units, affected special districts, and affected school districts review. After receipt of the Comprehensive Plan Amendment request by the Met Council, they have 15 days to review for completeness and 60 days to approve or deny and may extend this period to an additional 60 days if needed and beyond 120 days if agreed to by the local government.

**Adjacent Review.** The application was sent out for adjacent review on August 30, 2017. Three responses have been received thus far, all stating that they don't have any comments. The review period ends October 29, 2017.

**Required Sewered Housing.** The Metropolitan Council Sewer Allocation Forecasts requires 3,721 sewered households by 2040. Currently, there are 2,401 units within the City that have been platted or at least have received some sort of development entitlement. Therefore, 1,584 more sewered units are required by 2040 according to this data. Of these sewered units, 1,220 would be in the areas planned for sewered development south of 10<sup>th</sup> Street.

**Current Areas Planned For High Density.** There are currently only three areas within the City planned for High Density housing. Two are within current developments, the Inwood (31.06 acres) and Boulder Ponds (2.98 acres) developments, and the third area is within the Stage 2 area of the Sewered Staging Plan (118.94 acres). It should be noted, however, that the third high density area would require a number of properties to develop before sewer can be extended to this area.

**Currently Density within MUSA.** The Metropolitan Council requires an average of three units per acre for areas within the Metropolitan Urban Service Area (MUSA). Currently, it is estimated that with the addition of The Royal Golf Club at Lake Elmo, that the *current* average density in the MUSA, *only taking in to account developments that now have development rights*, is approximately 2.1 units per acre.

**Resident Concerns Prior to Public Hearing Notice.** The following provides a summary of comments received by Staff regarding the proposed Comprehensive Plan Amendment and proposed development:

- The proposed density is almost double what the land is currently planned for and it is at the high end of the Urban High Density land use density.
- Nearby residents bought property with the knowledge that adjacent parcels were guided for Urban Medium Density, not Urban High Density and would not have purchased such property with knowledge that there would be a high density development adjacent to their property.
- The price point of the studios (\$1,000 per month) could attract younger people, causing drugs, drinking and driving, and safety issues.

- Increased use of 5<sup>th</sup> Street.
- Concern of increased foot traffic in surrounding neighborhoods.
- Concern of the apartment building becoming Section 8 housing.
- Expression of support for the project as well as the applicant. Applicant has a national presence and reputation and builds high quality projects. Possibility to spur higher quality commercial and retail development.

**Zoning Map Amendment.** If the proposed Comprehensive Plan Amendment is approved and the Applicant applies for Preliminary Plat and PUD Plans, a Zoning Map Amendment will be required to rezone the applicable parcel from Rural Development Transitional to Urban High Density Residential.

**Planning Commission Review.** The Planning Commission held a public hearing, reviewed the request, and made recommendation at its meeting on September 25, 2017. Staff had recommended approval of the request to the Planning Commission based on the following recommended findings and conditions of approval.

**Staff-Recommended Findings.**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:
  - a. On page III-11, updating Table 3-B to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
  - b. Updating Map 3-3 – the planned land use map.
3. That the proposed amendments are consistent with the overall goals and objectives of the Comprehensive Plan.

**Staff-Recommended Conditions of Approval.**

1. Submission of the Comprehensive Plan Amendment to the Metropolitan Council and the receipt of formal notification from the Metropolitan Council that its review has been completed and approved.
2. That the Applicant obtain Preliminary Plat approval from the City for the proposed development based on the proposed Concept Plan as approved by Resolution 2017-\_\_\_\_.

A number of people spoke at the public hearing, and their comments are summarized below:

- Concern about increasing the density to the top of the allowed density in the Urban High Density Residential land use category.
- Comments about similar Springs Developments: Apple Valley development is next to townhomes of higher quality; Rochester development is near commercial area, and comments were made about development in Savage.
- Concern that this would be the largest development in the state.
- Concern about depreciation of property values.
- Concern about the number of dogs that would be there, as Continental had expressed in one of the neighborhood meetings that around 50% of occupants have dogs.
- Concern that there is not a sufficient buffer and that there should be a smoother transition between single family housing and high density housing.
- A petition “to prevent ‘high’ density apartments” was submitted, which by the end of the meeting, had 69 signatures.

The Planning Commission recommended denial of the proposed Comprehensive Plan Amendment request with a vote of 7-0 but did not give findings of fact to support the recommended denial. The Planning Commission did have the following comments:

- Concern about what the development could become if not for this development (i.e. manufactured home park; multi-family development with the Urban Medium Density Residential density (possibly through a PUD, which could increase density up to 8.4 units per acre); day care; school; congregate housing, etc.
- This is an opportunity to provide rental units for the City.
- Comments about wanting to see high end rental units at a higher density than something of lower density at a lower quality.
- The Comprehensive Plan was created with a vision of preserving rural character, not promoting sewer growth.
- Concern about supporting the higher end of the allowed density within the Urban High Density land use category.

### CONCEPT PUD PLAN

**About the Applicant.** Continental 419 Fund LLC. (Applicant) desires to develop a Class A, market-rate apartment community within the City. The company, started in 1979, is based out of Menomonee Falls, WI, and as of 2016 has broken ground on 3,175 apartment homes in 7 states. 65 Springs Apartment communities, similar to this proposed development, have been developed, including three in Minnesota (Apple Valley, Rochester, and Savage). The applicant has indicated in pre-application meetings with Staff that Continental owns and operates all Springs developments and that they do not have third party management.

**Site Plan.** The proposed site plan consists of 21.6 acres of land and includes 15 buildings with 20 units each, four detached garages (three with 12 stalls each and one with six stalls), parking spaces, an approximately 4,000 square foot club house (including a large gathering room, fitness center, kitchen area, coffee bar, and office space), pool with sun deck along with an outdoor bar-be-que area, trash enclosure, mail kiosk, and two pet playgrounds all within a fenced, controlled access community. Many units provide attached, direct-access garages. The remaining parcel would be platted as an outlot until development.

**Proposed Unit Breakdown.** The proposed number of units totals 300. The following provides a breakdown of the proposed number of units:

| Unit Type | Number of Units |
|-----------|-----------------|
| Studios   | 30              |
| 1-Bedroom | 120             |
| 2-Bedroom | 120             |
| 3-Bedroom | 30              |

**Proposed Design.** The proposed design of the development is a townhouse design two stories in height with private, ground-level entrances to each unit. The building elevations provide architectural interest with use of exterior accents, a large percentage of windows, and high quality materials including fiber cement board siding and stone masonry. The buildings create additional high architectural value with use of varied roof lines, and vertical and horizontal articulation. The typical interiors of the units include dark wood colored cabinets, stainless steel

appliances, granite countertops in all kitchens and wood laminate flooring. Select units will be upgraded to include enhanced finishes, painted access walls, granite countertops throughout, among other features.

**Consistency with the Comprehensive Plan.** Although the proposed amendment is not strictly consistent with the guided land use for this area within the Comprehensive Plan, as the area is currently guided for Urban Medium Density Residential with a density 4.5-7 units per acre, and the proposed density is 13.89 units per acre, Chapter II of the Comprehensive Plan, City-Wide Planning Policy, indicates the following:

- *“It shall be the Policy of the City, by adopted plans, programs, and development regulations, to permit the provision by private developers of a variety of housing types for all people of all stages of the life cycle. It will also be the Policy of the City to encourage retention and development of housing affordable to a broad range of incomes while maintaining a fiscally responsible ratio of municipal services to provide real estate tax revenue to support those municipal services.*
  - *Low Amount of Existing Rental Units.* 2015 statistics indicate that roughly 93% of Lake Elmo residents own their home, which is significantly higher above the homeownership rate of Washington County and the metropolitan area. This could be due to a lack of available rental units within the City. According to the Metropolitan Council Housing Existing Housing Assessment for the City of Lake Elmo (February 2017), there are only 204 rental units within the city. Increasing availability of rental units could allow those who are unable to own their own home live within the City.
  - *Housing Cost Burdened Households.* According to the Metropolitan Council Housing Existing Housing Assessment for the City of Lake Elmo (February 2017), there are 418 cost-burdened households within the city whose housing costs are at least 30% of their income.
  - *Need for Affordable Housing.* The Metropolitan Council’s 2015 Systems Statement indicates that Lake Elmo’s share of the region’s need for low and moderate income housing is 508 new units affordable to households earning 80% of the area median income (AMI) or below. Of these new units, the need is for 27 affordable to households earning at or below 30% of AMI, 179 affordable to households earning 31% to 50% of AMI, and 302 affordable to households earning 51% to 80% of AMI. The Metropolitan Council has been contacted about this particular development, and because the development would occur before the year 2020, it would not count towards these needs; it would count towards affordable housing needs for the 2010-2020 decade.
  - According to data from the Minneapolis Association of Realtors, the median home sales price for Lake Elmo in 2016 was \$407,070. This is over 75% more than the metropolitan area median home sales price (\$232,000). By allowing a high density development within this area of the City, which currently has access to City sewer and water, younger professionals and aging adults who cannot yet afford homes in Lake Elmo’s current price range will be able to live in the community in which they grew up and enjoy.
- *“Examples of adherence to these housing policies include.....Affirmative City actions to address support for senior and age-restricted housing initiatives within the Regional Sewered areas...south of 10<sup>th</sup> Street North that demonstrate high standards of design, materials, and resident amenities. Ease of resident access to goods and services within the context of the non-residential development policies of this plan will be an important locational determinant in recognition of the reduced mobility of senior and age-restricted residents. Such goods and services shall be facility-integrated with the residential uses intended to be served...”*
  - Continental has indicated in pre-application meetings that 20% of their residents are typically 55+. Locating such a development in close proximity to an area guided for commercial development would, in the future, provide easy access for such members of

the community to needed goods and services that will likely become available with an increase in residential development.

- *“Affirmative City actions to address support of expanded opportunity for development of new housing resources affordable to families of moderate income within the areas of the City planned for service by Regional Wastewater Treatment.”*
  - As mentioned, the proposed increase density will allow for families of moderate income to live within the community.
- *“City financial subsidy in support of housing opportunities is not implied by this Policy.”*
  - Continental is not requesting City financial subsidy for the proposed project.
- *“By zoning and other City codes, the City will encourage housing development that respects the natural environment of the community while striving to accommodate the need for a variety of housing types and costs.”*
  - The proposed development is consistent with that of the surrounding area. The Savona townhomes that currently exist to the northeast of the site are similar in design and style to that of the proposed development. Additionally, the proposed development will accommodate the need for a variety of housing types and costs.
- *“Municipal Services...Provision of municipal services will not be in a manner that drives intensive development, but rather responsive to the intensity of development specified by the Comprehensive Plan.”*
  - As previously mentioned in the Engineering review comments, the site was projected to have 145 REC units, although the site is able to handle the additional REC units either internally as part of the site work or by replacing 250 feet of 8-inch sanitary sewer with 10-inch sanitary sewer.

**Consistency with Planned Unit Development Regulations.** Staff has reviewed the proposed plan for its consistency with requirements of Article XVII: Planned Unit Development (PUD) Regulations and has found the following:

- **Intent.** The intent of a PUD is to provide for flexibility in the use of land and the placement and size of buildings in order to better utilize site features and obtain a higher quality of development. A PUD is required for the proposed development, as more than one principal building is proposed to be placed on a platted lot, and the proposed garages are larger than the maximum-allowed 1,000 square feet in size.
- **Identified Objectives.** When reviewing requests for PUDs, the City is to consider whether one or more objectives as outlined in Section 154.751: Identified Objectives of the Zoning Code will be served or is achieved. Staff has found that the following objectives are being met with the proposed development.
  - A. *Innovation in land development techniques that may be more suitable for a given parcel than conventional approaches.*

- The proposed development is not a typical, multi-story apartment building and instead proposes a townhouse design two stories in height with private, ground-level entrances to each unit
- C. *Provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques.*
- The proposed development is proposing a number of recreational amenities to residents within the PUD including pet playgrounds, clubhouse, and pool.
- D. *Accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing.*
- The proposed development will provide additional housing opportunities within the City, as there are currently very few multi-family buildings within the City.
- G. *Coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses.*
- The townhouse design will be compatible in design those of the neighboring Savona townhomes.
- H. *Higher standards of site and building design than would otherwise be provided under conventional land development technique.*
- The City does not currently have standards for single family housing. As such, the City cannot impose guidelines and standards set forth with the Lake Elmo Design Guidelines & Standards Manual. However, the City may impose such guidelines on high density residential development.
- **Minimum Requirements.** PUDs must meet the following minimum requirements:
    - A. *Lot Area. A PUD must include a minimum of 5 acres for undeveloped land or 2 acres for developed land within the approved development.*
      - The proposed development exceeds this requirement with a proposed 21.60 acre development.
    - B. *Open Space: For all PUDs, at least 20% of the project area not within street rights-of-way to be preserved as protected open space. Other public or site amenities may be approved as an alternative to this requirement. Any required open space must be available to the residents, tenants, or customers of the PUD for recreational purposes or similar benefit. Land reserved for storm water detention facilities and other required site improvements may be applied to this requirement. Open space shall be designed to meet the needs of residents of the PUD and the surrounding neighborhoods, to the extent practicable, for parks, playgrounds, playing fields and other recreational facilities.*
      - The applicant has indicated that approximately 42% of the proposed development is open space (including detention ponds, pet areas, green spaces, and landscaped areas).
    - C. *Street Layout... In newly developing areas, streets shall be designed to maximize connectivity in each cardinal direction, except where environmental or physical constraints make this infeasible. All streets shall terminate at other streets, at public land, or at a park or other community facility, except that local streets may terminate in stub streets when*

*those will be connected to other streets in future phases of the development or adjacent developments.*

- The proposed new road connecting 5<sup>th</sup> Street to Hudson Blvd meets this requirement. Junco Road was intended to continue on through part of this development, though the proposed development will cause it to terminate at the intersection of 5<sup>th</sup> Street. It is a recommended condition of approval that all comments outlined in the Engineering memo dated September 7, 2017 be addressed. The comments in this memo required that improvements to this intersection be made as part of this project.

**Proposed Amenities.** The City's PUD ordinance provides that amenities may be provided for increased density. In this case, because the applicant is proposing a Comprehensive Plan amendment to re-guide the area to Urban High Density Residential, which would accommodate the proposed density of the development, an increase in density beyond the desired land use designation is not required. However, a PUD should still offer the City amenities in exchange for the flexibility of allowing more than one building on a parcel as well as allowing garages larger than 1,000 square feet.

- *Underground or structure parking.* The narrative of the application indicates that many units provide attached, direct-access garages. It has not been indicated that this will reduce the surface parking area outside the footprint of the principal structure by 25%, however, as required by the PUD Code.
- *Contained Parking.* By proposing 162 garage spaces for its residents, the proposed development limits the amount of visible surface parking.
- *Additional Amenities?* Additionally, the City may also consider the allotment of amenity "points" for site amenities that are not otherwise specified within the ordinance. Continental has communicated that they would provide the following amenities:
  - Creating connectivity from 5<sup>th</sup> Street North to Hudson Boulevard by constructing the north-south road to the west of the development.
  - Construction of turn lanes on Hudson Boulevard North.
  - Contribution to signal for intersection of Hudson Boulevard and Keats Avenue. The signal is estimated to cost \$500,000, though Continental has not yet provided an exact amount they are willing to contribute.
  - Additional landscaping and screening beyond what is required. The applicant has not yet provided a landscaping plan but has communicated that they willing to exceed City standards.
  - Their development proposes no City streets throughout the development area. Therefore, there is less cost to the City in terms of maintenance.
  - Continental is having a third party appraiser look in to how property values surrounding the existing properties adjacent to similar developments they've constructed in Apple Valley and Savage have been affected with the new developments.

**Consistency with Proposed Urban High Density Residential (HDR) Zoning District.** As mentioned, the proposed development will require City approval of a Comprehensive Plan Amendment as well as a Zoning Map Amendment to rezone the property to Urban High Density Residential. As such, review of the proposed General PUD Concept Plan Review against standards including setbacks, impervious coverage, etc. of the Urban High Density Residential zoning districts was done, as shown below.

| <b>Standard</b>  | <b>Required</b>   | <b>Proposed</b>  |
|--|---|--|
| Impervious Surface Maximum   | 75%   | 58%  |
| Minimum Lot Width  | 60 feet   | 199.09 feet at the smallest proposed width   |
| Front Yard Setback   | 20 feet   | 20 feet  |
| Interior Side Yard   | 15 feet   | 20 feet  |
| Corner Side Yard   | 10 feet   | 20 feet  |
| Rear Yard Setback  | 20 feet   | 20 feet  |
| Parking (specific to multi-family development within HDR zoning district)    | Not to be located in the front yard or between the front façade and street. | Parking is located in front of Building 3, though this is not necessarily considered the front yard. |
| Open space (specific to multi-family development within HDR zoning district) | 200 square feet of common open space provided per unit.                     | Approximately 1300 square feet of open space is provided for each unit.                              |

**Adherence to Lake Elmo Design Guidelines and Standards.**

The proposed development adheres to the Lake Elmo Design Guidelines and Standards in that:

- The proposed structures are located and oriented in a manner that allows for pedestrian accessibility and provides visual interest from the public right-of-way.
- Buildings are located as close to the public street as possible, easily accessible from the street; setbacks are varied slightly; recreational and common spaces are located at the interior or rear of the site.
- Streetscapes provide for pedestrian accessibility and safety while offering aesthetically pleasing environments, as 5<sup>th</sup> Street streetscape is already in place, and a sidewalk/trail is provided along the future road.
- Parking areas do not account for more than 50% of street frontage.
- Trash enclosure is located away from most of the residential buildings.
- Examples of past developments adhere to building design requirements. It is a recommended condition of approval that the applicant include a detailed architectural plan proposal for the development.

**Parkland Dedication.** The Parks Commission will review the proposed development at its October 16, 2017 meeting, and Staff will verbally communicate feedback at tonight’s meeting. The proposed development does not propose a public park but does provide recreation for its residents through the club house, pool and open space. The neighborhood park search area plan of the Comprehensive Plan indicates that a neighborhood park should be located in the below indicated neighborhood park search area. This area is already served by Savona Park. The Planning Commission, as indicated below, specifically asked that the Parks Commission review the development to assess a need for a totlot.



The proposed development consists of 21.60 acres, and the Applicant would be required to pay a park dedication fee in lieu of land for subdivision of less than four lots for a commercial property at a fee of \$4,500 per acre. This would require a fee of \$97,200.00.

**Trails.** The Comprehensive Plan's Trail Plan shows a planned trail down the proposed street along the west side of the development. The proposed plan indicates a proposed sidewalk along the future road but not a trail. Trail connection requirements along Hudson Blvd need to be reviewed. A crosswalk with pedestrian ramps to cross 5th Street N, should be constructed.



**Parking.** The City's Zoning Code requires one space per unit, along with one visitor space per four units. With the proposed 300 units, 375 spaces would be required, and 525 spaces are proposed. There are also an additional 17 spaces proposed for the clubhouse. The proposed width and length of parking stalls is compliant with code, and the proposed width (estimated to be 24') is adequate for a 2-way aisle width according to the Zoning Code. Of these parking spaces, a total of 17 spaces are proposed to be Americans with Disabilities Act (ADA)-accessible. The ADA requires 2% of parking spaces totaling over 501 to be ADA-accessible, and so the proposed number of ADA parking spaces is compliant, providing adequate width and access aisle spacing.

**Engineering Comments.** The City Engineer has provided a review memo regarding the proposed Comprehensive Plan Amendment and General Concept PUD. This memo is attached for reference. Staff would like to highlight the following comments in summary:

- *Streets and Transportation*
  - *Hudson Right-of-Way.* Additional right-of-way on Hudson Blvd must be dedicated. A Hudson Blvd typical section needs to be developed by the City to

determine necessary width. 10 foot utility easements must be provided along each side of the new right-of-way.

- The concept plan proposes a new commercial street connecting Hudson Blvd and 5<sup>th</sup> Street N, which is the preferred street and access configuration and alignment. The design must take in to consideration the existing location of the existing sanitary sewer and watermain utilities located in the corridor.
- *Turn Lanes Needed.* An eastbound left turn lane and westbound right turn lane must be constructed along Hudson Blvd as part of the proposed commercial street intersection with Hudson Blvd.
- *Adjacent Secondary Access.* Further review of the secondary access provided to the adjacent property to the southeast will require further review during preliminary planning.
- *Emergency Access.* The unpaved emergency access to 5<sup>th</sup> Street North should be paved within the City right-of-way.
- *Perimeter Fence.* This encroaches the 10 foot utility easement, and so the location must be revised to preserve the easement.
- *Intersection Improvements to Junco Road.* It is recommended that improvements to the intersection of 5<sup>th</sup> Street N and Junco Rd be made as part of this project, as this road was intended to continue with future development, yet this site plan proposes Junco Road terminating at 5<sup>th</sup> Street N. As a result, minor design and construction revisions will be required at the intersection including the construction of a 5<sup>th</sup> Street crosswalk with pedestrian ramps across 5<sup>th</sup> Street N, and connecting trail segment, to connect the Savona trail from the park to the sidewalk/trail for the new commercial street.
- *Traffic Impact Study.* Is needed for CSAH 19 and Hudson Blvd and CSAH 19 and 5<sup>th</sup> Street. Consideration of financial contribution to CSAH 19/Hudson Blvd traffic signal.
- *Municipal Sanitary Sewer*
  - The subject parcel was projected to contain approximately 145 Residential Equivalency Charge (REC) units, and the site plan proposes 300 REC units. In order to account for these additional units, the site will need to connect to a 10-inch sanitary sewer line.
- *Municipal Water Supply*
  - The applicant will be responsible to provide watermain stub(s) to the adjacent property to the south.
  - The existing water system has sufficient capacity for domestic service for the proposed number of REC units.
  - The applicant will be responsible to place hydrants throughout the property at the direction of the Fire Department.
- *Stormwater Management*
  - All stormwater facilities need to be in accordance with City and Valley Branch Watershed District (VBWD) requirements.
  - Stormwater facilities will need to include both stormwater ponds (detention) and infiltration basins and to remain privately owned, requiring execution and recording of a Stormwater Maintenance and Easement Agreement with the City in its standard form. Maintenance access should be provided.

**Building Official and Fire Chief Review.** The Building Official and Fire Chief have reviewed the proposed plan and have commented that the unpaved, second emergency access will need to be paved and maintained year-round. Snow removal is a significant concern with gated emergency access points.

**Apple Valley Administrator Opinion.** The City Administrator of the City of Apple Valley, a City in which a Springs community has been developed, has emailed Staff and has indicated that the Springs at Apple Valley has been a good addition to the community. Police calls to the development have not been a problem; there are five to six such calls a month, which is not excessive given the 280 units in the development. A report of police calls to the property dating from June 2016 to August 2017 was provided. Property maintenance has not been a problem.

**Minnesota Department of Transportation (MNDOT) Review.** MNDOT has reviewed the proposed development (review letter attached) and has the following comments:

- Hudson Blvd was turned back to the City, but if the road section were owned by MNDOT, a turn lane for the future road connection would be required. Please consider making the portion of Hudson Blvd.
- Applicant should assess noise situation and take action deemed necessary to minimize impact of highway noise.

**Environmental Assessment Worksheet (EAW).** Staff has confirmed with the Environmental Quality Board that an EAW would not be required for a housing development of this size. An EAW is only required when over 375 attached units are proposed within a city.

**Neighborhood Meetings.** Prior to this public hearing, the applicant held two neighborhood meetings on August 2, 2017 and September 21, 2017. Staff did not attend these neighborhood meetings due to scheduling conflicts.

**Planning Commission Review.** The Planning Commission recommended that if the requested Comprehensive Plan Amendment was approved that the following conditions be added to the Staff-recommended conditions:

10. That the Applicant assess the noise situation and take necessary action to minimize the impact of any highway noise.
11. That screening along 5<sup>th</sup> Street be provided, exceeding City standards.
12. That the Parks Commission review a need for a totlot within the development.
13. That the buildings within the proposed PUD Concept Plan not exceed 32 feet in height and include masonry features.

**Recommended Findings.** Staff recommended approval of the Concept PUD Plan based on the following findings:

1. That if the Lake Elmo Comprehensive Plan and Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential, the PUD Concept Plan is consistent with the intent of the Lake Elmo Comprehensive Plan and the Future Land Use Map for this area.
2. That the PUD Concept Plan complies with the general intent of the Urban High Density Residential zoning districts with PUD modifications.
3. That the PUD Concept Plan generally complies with the City's Subdivision regulations.
4. That the PUD Concept Plan is generally consistent with the City's engineering standards with exceptions as noted in the City Engineer's memorandum dated September 7, 2017.

5. The PUD Concept Plan meets the minimum requirement for a PUD including minimum lot area, open space and street layout.
6. The PUD Concept Plan meets more than one of the required PUD objectives identified in Section 154.751 including providing: innovation in land development techniques that may be more suitable for a given parcel than conventional approaches; provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques; accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing; coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses; and higher standards of site and building design than would otherwise be provided under conventional land development technique.
7. The PUD Concept Plan meets the allowed density requirements provided the Comprehensive Plan's Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential.

**Recommended Conditions of Approval.** Staff recommended the following conditions\*:

1. Approval of a Comprehensive Plan Amendment to amend the City's Land Use Plan to re-guide a portion of the Property from Urban Medium Density Residential to Urban High Density Residential.
2. That the future preliminary plat and preliminary PUD Plans include a portion of the parcel with the PID# 34.029.21.43.0003.
3. That the future preliminary plat and preliminary PUD Plans submittal identify all requests for flexibility from the Zoning Code.
4. That all comments of the City Engineer's Memorandum dated September 7, 2017 be addressed with the future preliminary plat and preliminary PUD Plans submittal.
5. That the Preliminary Plat and PUD Plans submittal include a landscape plan to be reviewed and approved by the City's Landscape Architect.
6. That the Preliminary Plat and PUD Plans submittal include accurate open space and impervious surface calculations.
7. That a trail be provided along the future road providing primary access to the development instead of a sidewalk.
8. That fees in lieu of park land dedication be provided as required by 153.14 with future final plat.
9. That the preliminary plat and preliminary PUD Plans submittal include a detailed architectural plan.

\*Please note that the attached Resolution includes amended conditions of approval as recommended by the Planning Commission.

**FISCAL IMPACT:**

There would be no fiscal impact to the City at this time, as the developer would be required to pay for any amendments needed to accommodate the increase in REC units. Concept Plan approval does not afford the applicant development rights. When the property develops, it will have urban services and will pay sewer and water connection charges, building permit fees and the like.

**OPTION:**

The Council may:

- Deny the proposed Comprehensive Plan Amendment and Concept PUD Plan with findings of fact as drafted by Staff.
- Amend findings of fact as drafted by Staff in the Resolutions denying the proposed Comprehensive Plan Amendment and Concept PUD Plan and adopt Resolutions as amended.
- Approve the proposed Comprehensive Plan Amendment and Concept PUD Plan with findings of fact and conditions as proposed by Staff.
- Amend the Staff-proposed findings of fact and conditions of approval the proposed Comprehensive Plan Amendment and Concept PUD Plan and approve with amended findings of fact and conditions of approval.
- Approve the proposed Comprehensive Plan Amendment and deny the proposed Concept PUD Plan.
- Send the requests back to the Planning Commission to request recommended findings for denial of the Comprehensive Plan Amendment and Concept PUD Plan.

**RECOMMENDATION:**

If it pleases the Council to deny an amendment of the Land Use Plan of the Comprehensive Plan, re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-112 denying a Comprehensive Plan Amendment re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC.”***

If it pleases the Council to approve an amendment of the Land Use Plan of the Comprehensive Plan, re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC subject to recommended conditions of approval, Staff recommends the following motion.

***“Motion to adopt Resolution 2017-112 approving a Comprehensive Plan Amendment re-guiding a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC, subject to recommended conditions of approval.”***

If it pleases the Council to deny the proposed Comprehensive Plan Amendment, the proposed PUD Concept Plan should also be denied, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-113 denying the PUD Concept Plan as requested by Continental 419 Fund LLC for PID# 34.029.21.43.0003 with recommended conditions of approval.”***

If it pleases the Council to approve the proposed PUD Concept Plan as requested by Continental 419 Fund LLC, Staff recommends the following motion:

***“Motion to adopt Resolution 2017-113 approving the PUD Concept Plan as requested by Continental 419 Fund LLC for PID# 34.029.21.43.0003, subject to recommended conditions of approval.”***

**ATTACHMENTS:**

- Application materials
- Engineer review memo dated September 7, 2017
- MNDOT letter
- Meeting minutes from public hearing September 25, 2017

- Resolution 2017-112 denying the proposed Comprehensive Plan Amendment
- Resolution 2017-112 approving the proposed Comprehensive Plan Amendment
- Resolution 2017-113 denying the proposed Concept PUD Plan
- Resolution 2017-113 approving the proposed Concept PUD Plan

Date Received: \_\_\_\_\_  
Received By: \_\_\_\_\_  
Permit #: \_\_\_\_\_



651-747-3900  
3800 Laverne Avenue North  
Lake Elmo, MN 55042

## LAND USE APPLICATION

- Comprehensive Plan    Zoning District Amend    Zoning Text Amend    Variance\*(see below)    Zoning Appeal
- Conditional Use Permit (C.U.P.)    Flood Plain C.U.P.    Interim Use Permit (I.U.P.)    Excavating/Grading
- Lot Line Adjustment    Minor Subdivision    Residential Subdivision Sketch/Concept Plan
- PUD Concept Plan    PUD Preliminary Plan    PUD Final Plan    Wireless Communications

Applicant: Continental 419 Fund LLC c/o Gwyn Wheeler  
Address: W134 N8675 Executive Parkway, Menomonee Falls, WI 53051  
Phone # 262-532-9352  
Email Address: gwheeler@cproperties.com

Fee Owner: DPS-Lake Elmo LLC  
Address: 6007 Culligan Way, Minnetonka, MN 55345  
Phone # 612-718-3793  
Email Address: adale@stonehenge-usa.com

Property Location (Address): No address assignment  
(Complete (long) Legal Description: See attached

PID#: portion of 34.029.21.43.0003

Detailed Reason for Request: See attached  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*Variance Requests: As outlined in Section 301.060 C. of the Lake Elmo Municipal Code, the applicant must demonstrate practical difficulties before a variance can be granted. The practical difficulties related to this application are as follows:

Not applicable  
\_\_\_\_\_  
\_\_\_\_\_

In signing this application, I hereby acknowledge that I have read and fully understand the applicable provisions of the Zoning ordinance and current administrative procedures. I further acknowledge the fee explanation as outlined in the application procedures and hereby agree to pay all statements received from the City pertaining to additional application expense.

Continental 419 Fund LLC by: Continental Properties Company Inc., its manager  
Signature of applicant: *Gwyn Wheeler* Date: 8/24/2017

Signature of fee owner: *Alan J. Dale* Date: 8-18-17



www.sambatek.com

12800 Whitewater Drive, Suite 300  
Minnetonka, MN 55343

763.476.6010 telephone  
763.476.8532 facsimile

Engineering | Surveying | Planning | Environmental

**Client**  
**CONTINENTAL**  
**PROPERTIES**

**Project**  
**I 94 & KEATS**  
**AVE N**

**Location**  
**LAKE ELMO,**  
**MN**

**Certification**

**Summary**

Approved: KED Drawn: DL

**Revision History**

No. Date By Submittal / Rev.

A 08/15/17 DL CLIENT COMMENTS

**Sheet Title**  
**BOUNDARY LEGAL**  
**DESCRIPTION**

**Sheet No. Revision**

**1/2 A**

**Project No. 20895**

**PARCEL LEGAL DESCRIPTION**

All that part of the West Half of the Southeast Quarter of Section 34, Township 29, Range 21, Washington County, Minnesota, described as follows:

Beginning at the point of intersection of the northerly line of PARCEL 29C, MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 82-43, according to the recorded plat thereof, and a line drawn parallel with and distant 40.00 feet easterly from the westerly line of said West Half of the Southeast Quarter; thence on an assumed bearing of North 00 degrees 06 minutes 31 seconds East, along said parallel line for 922.89 feet to an intersection with the southerly line of that certain PERMANENT PUBLIC STREET EASEMENT per Document No. 4007702, files of the Washington County Recorder; thence northeasterly for 548.27 feet along said southerly line, along a non-tangential curve concave to the northwest, radius 860.00 feet and central angle 36 degrees 31 minutes 38 seconds, the chord of said curve bears North 68 degrees 55 minutes 24 seconds East; thence North 50 degrees 39 minutes 35 seconds East along said southerly line, along tangent to said curve for 356.64 feet; thence northeasterly for 400.88 feet along said southerly line, along a tangential curve concave to the southeast, radius 1103.12 feet and central angle 20 degrees 49 minutes 17 seconds; thence North 71 degrees 28 minutes 52 seconds East along said southerly line along tangent to said curve for 165.33 feet to the westerly line of OUTLOT F, SAVONA, according to the recorded plat thereof; thence South 00 degrees 01 minutes 13 seconds West, along said westerly line and its southerly extension for 988.32 feet; thence South 89 degrees 40 minutes 54 seconds West for 1083.46 feet; thence South 00 degrees 19 minutes 27 seconds West for 591.45 feet to said northerly line of PARCEL 29 C; thence South 89 degrees 18 minutes 27 seconds West, along said northerly line for 199.11 feet to the point of beginning.

**Client**  
**CONTINENTAL**  
**PROPERTIES**

**Project**  
**I 94 & KEATS**  
**AVE N**

**Location**  
**LAKE ELMO,**  
**MN**

**Certification**

**Summary**

Approved: KED Drawn: DL

**Revision History**

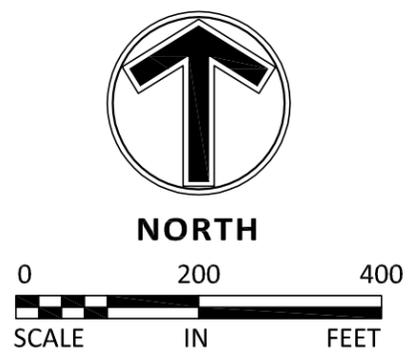
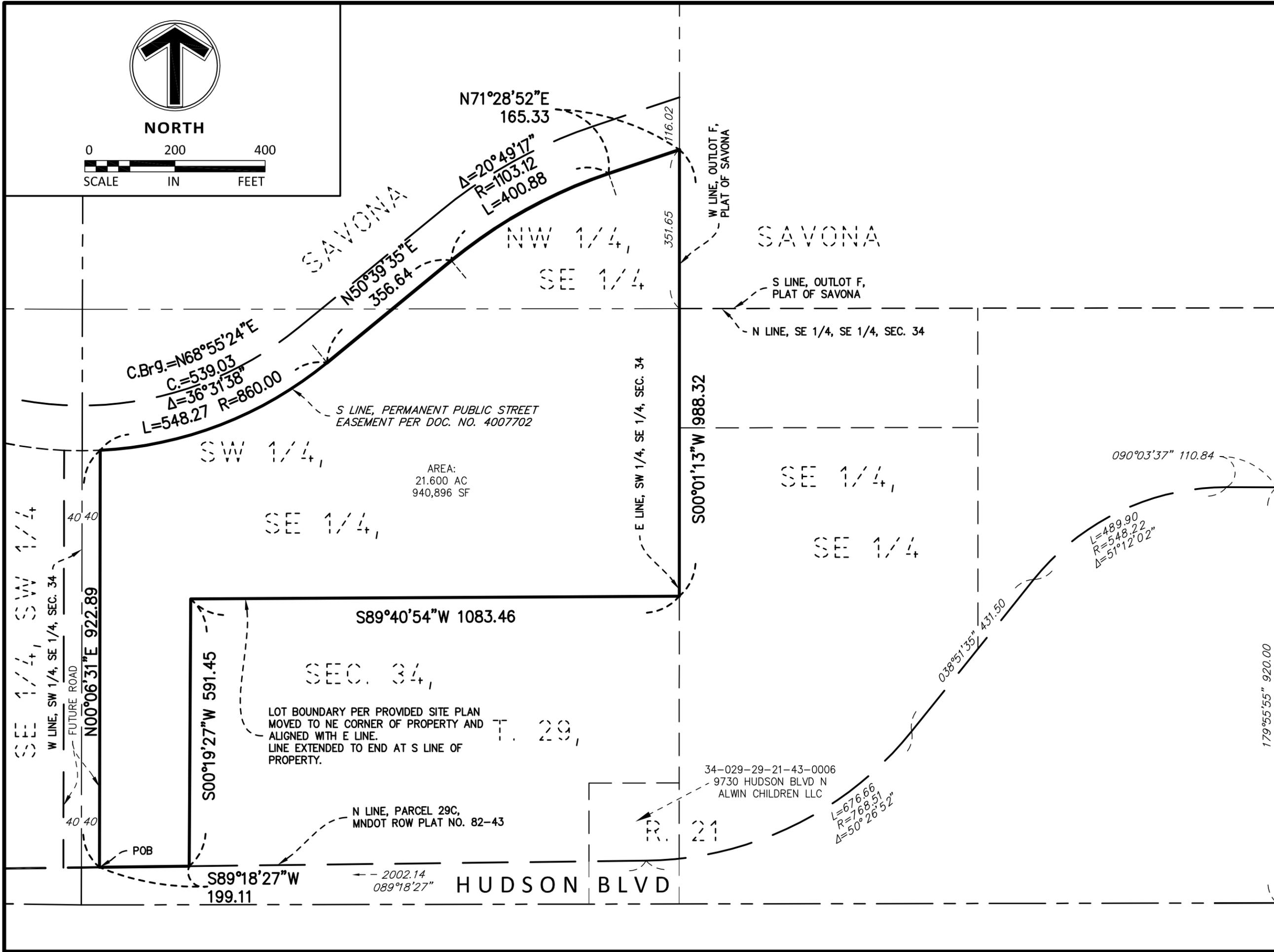
| No. | Date     | By | Submittal / Rev. |
|-----|----------|----|------------------|
| A   | 08/15/17 | DL | CLIENT COMMENTS  |

**Sheet Title**  
**BOUNDARY**  
**EXHIBIT**

Sheet No. Revision

**2/2** **A**

Project No. 20895





## Vision Statement

---



Springs Apartments are located within vibrant growing communities across the nation, with convenient access to employment and near to prime shopping, dining, and entertainment venues.

Within the Minneapolis/St. Paul metro, the City of Lake Elmo offers all of the conveniences and civic amenities that attract the demographic segments who prefer to rent rather than own their homes including both young professionals and active adults 55 and up. Nationally, trends continue to show that of new households created *59 percent* are rental households (National Multi-Housing Council, 2015).

Continental 419 Fund LLC ("Continental") proposes to develop a Class A, market-rate apartment community within the City of Lake Elmo, due to its reputation as a sought-after community to live in and its exceptional apartment fundamentals.

Springs buildings feature a townhouse design two stories in height with private, ground-level entrances to each unit. Many units provide attached, direct-access garages and the community would offer a limited number of detached garages. The apartment would be a mix of studio, 1-bedroom, 2-bedroom, and 3-bedroom units.

# SPRINGS<sup>®</sup>

*apartments*

The Springs community would feature a clubhouse measuring approximately 4,000 square feet in size. It would include a large gathering room, fitness center, kitchen area, coffee bar, and office space for Continental's property management team. A pool and sun deck for the residents are provided behind the clubhouse along with an outdoor BBQ area. The clubhouse and pool area are served by wireless internet service.

The building elevations provide architectural interest with use of exterior accents, a large percentage of windows, and high quality materials including fiber cement board siding and stone masonry. The buildings create additional high architectural value with use of varied roof lines, and vertical and horizontal articulation.

The typical interiors of the units include dark wood colored cabinets, stainless steel appliances, granite countertops in all kitchens and wood laminate flooring. Select units will be upgraded to include enhanced finishes, painted accent walls, granite countertops throughout, among other features.

Beyond resident amenities and high quality finishes, a sense of place is created for the community through a thoughtfully designed site plan. Ample open space and landscaping, courtyards, and pedestrian connectivity throughout foster neighbor interaction and contribute to place making. An emphasis on building placement means that architecture is the focus. The development will be enclosed and secured by perimeter fencing and automatic vehicular gates at the community entry.

# S P R I N G S<sup>®</sup>

*apartments*

## Comprehensive Plan Amendment & PUD General Concept Plan Request

---

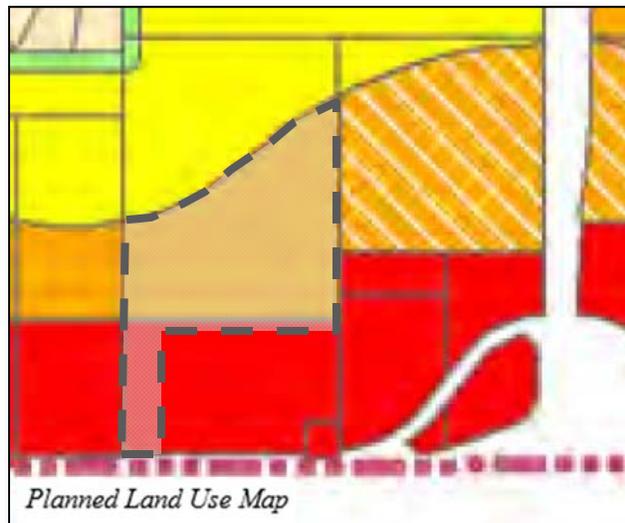
The proposed site for the Springs Apartment community in Lake Elmo is generally located at the west of Keats Avenue on the south side of 5<sup>th</sup> Street, as shown on the enclosed site plan. Continental 419 Fund LLC ("Continental") proposes an up-scale, market-rate apartment community on the 21.6 acre site.

Continental's proposed apartment community includes 300 units within 15 residential buildings. The buildings will offer a townhouse design featuring two stories with private, ground-level entrances to each unit. Residents will have a choice between attached, direct-access garages, detached garages and ample surface parking to best fit their needs. There will be a mix of studio, 1-bedroom, 2-bedroom, and 3-bedroom units, as broken down in the chart to the right.

| UNIT TYPE | NUMBER OF UNITS |
|-----------|-----------------|
| STUDIO    | 30              |
| 1-BEDROOM | 120             |
| 2-BEDROOM | 120             |
| 3-BEDROOM | 30              |

A Comprehensive Plan - Planned Land Use Map amendment from Urban Medium Density/Commercial to Urban High Density as well as a rezoning from Rural Development Transitional (RT) to Urban High Density Planned Unit Development (HDR-PUD), are both being requested as part of Continental's proposal.

The current Planned Land Use designation of Urban Medium Density on the majority of the property allows for residential densities up to 7 units per acre; with greater densities allowed through the PUD process. This category allows for a variety of housing types including up to three-story apartment buildings. A small portion of the property fronting Hudson Blvd. is currently designated Commercial, which allows for residential uses as part of a mixed use development. The requested change to Urban High Density allows for residential densities from 7.5 to 15 units per acre. Continental's request proposes two-story buildings at a density of 13.89 du/acre.



The Springs location is in accordance with Lake Elmo's comprehensive planning goal to locate high intensity uses along the I-94 corridor, preserving the otherwise rural character of the City. The proposed multifamily apartment development serves as a natural transition between the lower density residential to the north of the property and future commercial uses to the south. The proposed development will provide a residential density that will "maintain and protect the city's natural resources", because the land is better suited for development rather than conservation along the Interstate Highway 94 ("I-94")

# SPRINGS<sup>®</sup>

*apartments*

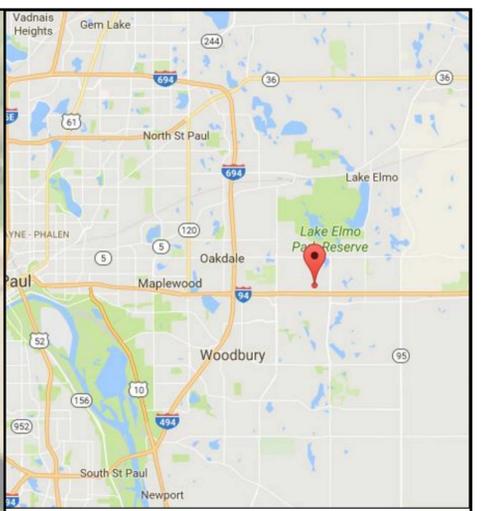
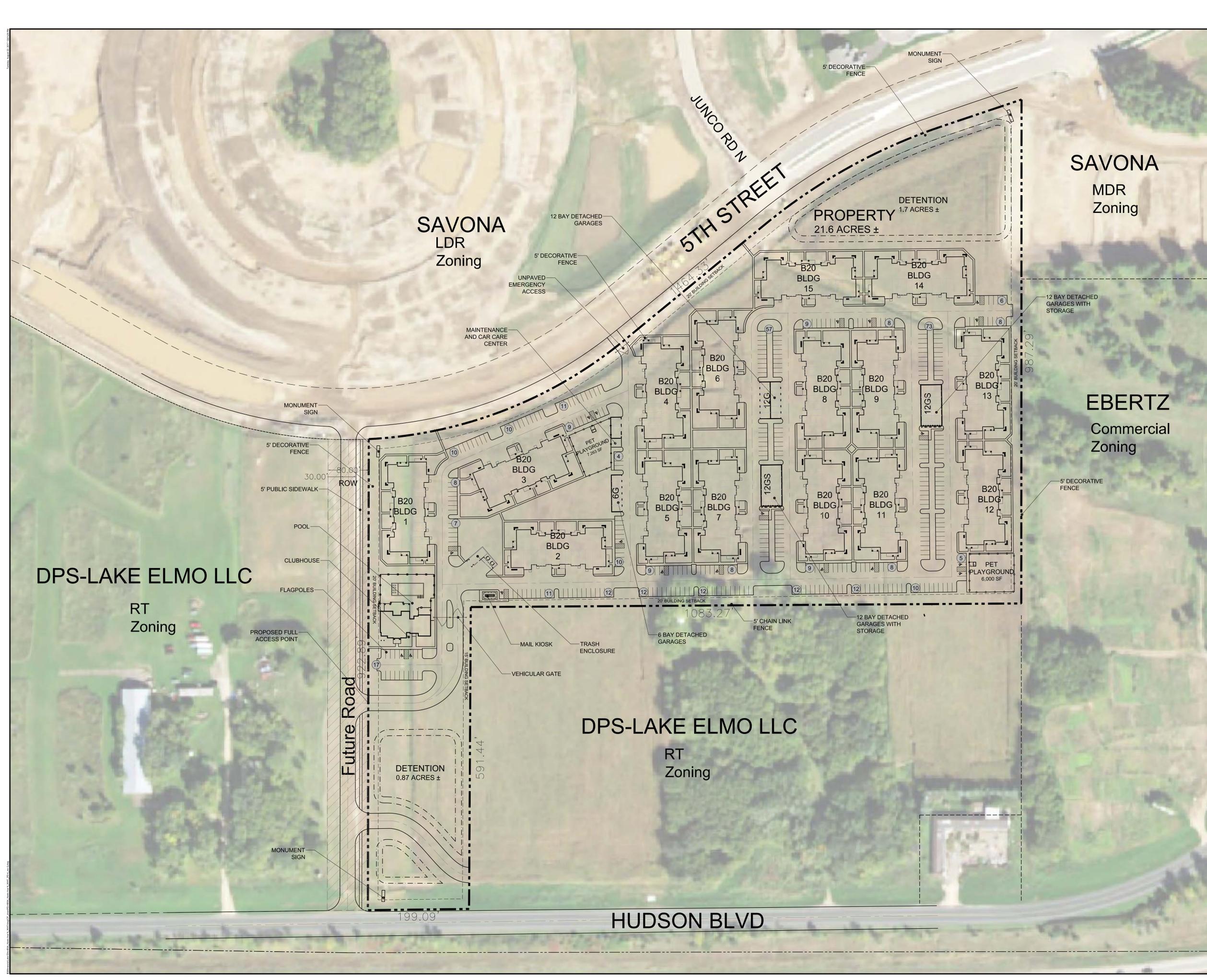
Corridor. The proposed density will provide a strong, up-scale residential base that will support commercial development along the I-94 corridor, ensuring s synergy and vibrancy that attracts high quality businesses.

The existing RT district zoning is an interim holding zone. Rezoning to HDR is required for the proposed density and a PUD is necessary to have more than one principal building per parcel of land. Continental's proposal will meet or exceed the criteria of the base HDR zoning district. Additionally, the Springs will be a high quality apartment community that is compatible in architecture and scale to the adjacent homes. Continental would like the opportunity to provide a unique, upscale rental housing option in this very fitting location to support the City's growth.



# SPRINGS APARTMENTS

LAKE ELMO, MN



VICINITY MAP  
SCALE: NTS

**SITE SUMMARY**

|                  |                  |
|------------------|------------------|
| MULTIFAMILY AREA | 21.60 ACRES      |
| R.O.W DEDICATION | 0.00 ACRES       |
| TOTAL ACREAGE    | 21.60 ACRES      |
| TOTAL UNIT COUNT | 300 UNITS        |
| DENSITY          | 13.89 UNITS / AC |

**BUILDING INFORMATION**

| BUILDING CT / TYPE            | UNITS | GARAGES |
|-------------------------------|-------|---------|
| B20 - BUILDINGS (20 DU/BLDG)  | 300   | 120     |
| G24 - BUILDINGS (24 DU/BLDG)  | 0     | 0       |
| B12A - BUILDINGS (12 DU/BLDG) | 0     | 0       |
| B12B - BUILDINGS (12 DU/BLDG) | 0     | 0       |
| TOTAL:                        | 300   | 120     |

**GENERAL UNIT MIX:**

| UNIT TYPE | COUNT | PERCENTAGE |
|-----------|-------|------------|
| STUDIO    | 30    | 10%        |
| 1BR       | 120   | 40%        |
| 2BR       | 120   | 40%        |
| 3BR       | 30    | 10%        |
| TOTAL     | 300   | 100%       |

**COLOR SCHEME**

COLOR: BEIGE WITH WHITE TRIM AND BRICK

| PALETTE | A: | B: | COLOR | COLOR |
|---------|----|----|-------|-------|
|         |    |    |       |       |

**PARKING INFORMATION**

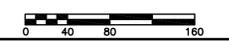
| DESCRIPTION               | QUANTITY            |
|---------------------------|---------------------|
| NUMBER OF ATTACHED        | 120 GARAGES         |
| % ATTACHED GARAGES        | 40.0 %              |
| NUMBER OF STAND ALONE     | 42 GARAGES          |
| TOTAL GARAGES             | 162 GARAGES         |
| OVERALL GARAGES per UNIT  | 0.54                |
| PARKING REQUIRED PER CODE | 520 SPACES          |
| SURFACE PARKING AMOUNT:   | 363 SPACES          |
| TOTAL PROVIDED PARKING:   | 525 SPACES (15 ADA) |
| UNIT PARKING RATIO        | 1.75                |
| COVERED PARKING RATIO     | 0.31                |
| CLUBHOUSE PARKING         | 17 SPACES* (2 ADA)  |

**DESIGN CRITERIA / SITE INFORMATION:**

|                    |  |
|--------------------|--|
| PARKING STALLS:    | Perp - 9' X 18'                            |
| ADA STALLS:        | 9' X 18' (9' ACCESS AISLE)                 |
| DRIVES:            |  |
| BUILDING HEIGHT:   | 2 STORY                                    |
| BUILDING SETBACKS: | SOUTH 20<br>WEST 20<br>NORTH 20<br>EAST 20 |

CONTINENTAL 419 FUND LLC  
An affiliate of  
**CONTINENTAL**  
COMMERCIAL REAL ESTATE SERVICES  
10000 Lake Elmo Blvd, Suite 1000  
Lake Elmo, MN 55049  
Phone: 612.438.0000  
Fax: 612.438.0001  
www.continentalre.com

|          |                            |            |             |       |           |
|----------|----------------------------|------------|-------------|-------|-----------|
| CITY:    | Lake Elmo                  | STATE:     | MN          | DATE: | 8/22/2017 |
| PROJECT: | Hudson Blvd 5th Street_NEC | DRAWN BY:  | SD          | DATE: | 8/22/2017 |
| SHEET:   | 3                          | REVISIONS: |             | DATE: |           |
|          |                            | NO.        | DESCRIPTION | DATE  |           |
|          |                            | 1          |             |       |           |
|          |                            | 2          |             |       |           |
|          |                            | 3          |             |       |           |
|          |                            | 4          |             |       |           |
|          |                            | 5          |             |       |           |
|          |                            | 6          |             |       |           |
|          |                            | 7          |             |       |           |
|          |                            | 8          |             |       |           |
|          |                            | 9          |             |       |           |
|          |                            | 10         |             |       |           |





turn lane and westbound right turn lane must be constructed along Hudson Blvd as part of the proposed commercial street intersection with Hudson Blvd.

- Adjacent Property Access. A secondary access has been shown for the adjacent property to the southeast. Further review of this access will be needed during the preliminary planning.
- Emergency Access. An unpaved emergency access to 5th Street North has been shown. This access should be paved within the City R/W. Further review for the need/design of this access will be needed during the preliminary planning.
- Perimeter Fence. A perimeter decorative fence is shown around most of the proposed site. The fence locations should be revised, where necessary, to preserve the City standard 10 ft. utility easement corridors.
- Intersection Improvements at Junco Road. It is recommended that provisions be included to complete improvements to the intersection of 5th Street North and Junco Road as part of this project. This road was intended to continue through with future development. The concept plan shows Junco Rd. terminating at 5th Street. Due to this change, minor design and construction revisions will be required at the intersection including the construction of a 5th Street crosswalk with pedestrian ramps and trail connection to connect the sidewalk on Junco Road to the south side trail along 5th Street North.
- Trail Connectivity. The City should review the site plan to determine trail connection requirements along Hudson Boulevard and the proposed commercial street. It is recommended that provisions be included to construct a crosswalk with pedestrian ramps across 5th Street North, and connecting trail segment, to connect the Savona trail from the park to the sidewalk/trail for the new commercial street.
- Private Streets. The streets interior to the development are proposed to remain privately owned and maintained. Interior street design may require revisions to provide adequate fire lanes and safety access.
- Traffic Impact Study should be completed and submitted as part of the preliminary plat application to determine the timing and extent of improvements required for the CSAH 19 and 5<sup>th</sup> Street intersection, and CSAH 19 and Hudson Boulevard intersection; including but not limited to turn lanes and traffic signals. A financial contribution to CSAH 19/Hudson Blvd traffic signal should be considered.

#### MUNICIPAL SANITARY SEWER

- The proposed site is guided in the City's Comprehensive Plan for Phase I of the Regional Sewer Staging Plan and would discharge to the MCEC WONE Interceptor (Woodbury, Oakdale, Northdale and East Oakdale). Sanitary sewer service is therefore readily available to the site.
- The applicant will be responsible to connect to the City sanitary sewer system and extend sanitary sewer into the property at applicant's sole cost. In addition the applicant will be required to stub sanitary sewer mains to adjacent properties (the southeasterly parcel) so that these parcels maintain sewer access.
- The concept plan does not show how sanitary sewer service will be provided. However the applicant has been in contact with staff to understand the sanitary sewer system connection points, capacity and limitations. The subject parcel was projected to contain approximately 145 REC units. The development is proposing 300 REC units.
- To account for the additional REC units the applicant will be required to connect to the existing 10-inch sanitary sewer line that extends north from Hudson Boulevard along the alignment of the proposed commercial street. This could be accomplished either internally as part of the site work or by replacing approximately 250 feet of 8-inch sanitary sewer with 10-inch sanitary sewer.
- Existing Utility Easements. The existing sanitary sewer utility easements along Hudson Boulevard and the new commercial street corridor must be shown with the preliminary plan submittal and plan revisions must be made to avoid encroachments/conflicts with these easements.
- Any main sewer lines placed within the development will require minimum 30-foot easements centered over the pipe (or wider dependent upon the sewer depths) dedicated to the City and in the form of the City's Utility Easement Agreement.

## MUNICIPAL WATER SUPPLY

- The concept plan does not address water supply. However, the applicant will be responsible to extend municipal water into the development at its cost and will be required to construct a looped watermain network internal to the site and with a second City watermain connection point.
- It is assumed that the property will be served by the City's high pressure zone. The watermain is available to be extended to the property from the existing high pressure zone 8-inch watermain along 5th Street North into the site. A second watermain connection should be constructed to the existing high pressure zone 12-inch watermain along the proposed commercial street (presumably near the proposed apartment complex main entrance).
- The applicant will be required to provide watermain stub(s) to the adjacent property to the south. The stub locations would be determined during preliminary planning.
- The existing water system has sufficient capacity for domestic service for the proposed 300 REC units. System capacity is likely adequate for fire suppression as well. However, during preliminary planning the applicant must provide fire flow demands for each building so that staff may verify adequate fire suppression capacity.
- No watermain pipe oversizing is anticipated at this time. Further review will be completed as the application moves forward through the process.
- The applicant will be responsible to place hydrants throughout the property at the direction of the Fire Department. All fire hydrants shall be owned and maintained by the City.
- Any watermain lines and hydrants placed within the development will require minimum 30-foot easements centered over the pipe. Easements must be dedicated to the City and be provided in the City's standard form of easement agreement.

## STORMWATER MANAGEMENT

- Stormwater facilities shall be in accordance with the requirements listed in the City of Lake Elmo Engineering Design Standards, in addition to the requirements of the Valley Branch Watershed District (VBWD). A VBWD permit will be required.
- Stormwater facilities will likely need to include both storm water ponds (detention) and infiltration basins. No infiltration basins have been shown on the concept plan. The 100-year high water flood level (HWL) for each basin must be fully contained within private property.
- The storm water facilities constructed for this development should remain privately owned and maintained. The applicant will be required to execute and record a Stormwater Maintenance and Easement Agreement in the City's standard form of agreement.
- Even as privately owned and maintain facilities, maintenance access roads meeting the City engineering design standards should be provided for all storm water facilities.

September 19, 2017

Steven Wensman  
Planning Director, City of Lake Elmo  
3800 Laverne Avenue N.  
Lake Elmo, MN 55042

SUBJECT: CPA17-006 Springs Apartments  
NE Quad of Keats Avenue and I-94  
Lake Elmo, Washington County  
Control Section 8282

Dear Mr. Wensman:

Thank you for the opportunity to review the proposed comprehensive plan amendment for the Springs apartments development. MnDOT's staff has reviewed the document and has the following comments:

***Traffic***

This section of Hudson Blvd has been turned back to the City. If the road section were owned by MnDOT a turn lane for the future road connection would be required. Please consider making the portion of Hudson Blvd consistent with the rest Hudson Rd.

For questions regarding these comments please contact Kaare Festvog at 651-234-7814 or [kaare.festvog@state.mn.us](mailto:kaare.festvog@state.mn.us).

***Noise Control:***

MnDOT's policy is to assist local governments in promoting compatibility between land use and highways. Residential uses located adjacent to highways often result in complaints about traffic noise. Traffic noise from this highway could exceed noise standards established by the Minnesota Pollution Control Agency (MPCA), the U.S. Department of Housing and Urban Development, and the U.S. Department of Transportation.

Minnesota Rule 7030.0030 states that municipalities are responsible for taking all reasonable measures to prevent land use activities listed in the MPCA's Noise Area Classification (NAC) where the establishment of the land use would result in violations of established noise standards.

MnDOT's policy regarding development adjacent to existing highways prohibits the expenditure of highway funds for noise mitigation measures in such areas. The project proposer should assess the noise situation and take the action deemed necessary to minimize the impact of any highway noise.

If you have any questions regarding MnDOT's noise policy please contact Natalie Ries in our Noise/Air Quality section at (651) 234-7681.

***Permit Required***

Any use of or work within or affecting MnDOT right of way requires a permit. Permit forms are available from MnDOT's utility website at <http://www.dot.state.mn.us/metro/maintenance/permits.html>

Please include one to one set of plans formatted to 11X17 with each permit application. Please submit/send all permit applications and 11X17plan sets to: [metropermitapps.dot@state.mn.us](mailto:metropermitapps.dot@state.mn.us).

Please direct any questions regarding permit requirements to Buck Craig (651-234-7911) of MnDOT's Metro Permits Section.

***Review Submittal Options:***

MnDOT's goal is to complete the review of plans within 30 days. Submittals sent electronically can usually be turned around faster. There are four submittal options:

1. One (1) electronic pdf version of the plans. MnDOT accept plans at [metrodevreviews.dot@state.mn.us](mailto:metrodevreviews.dot@state.mn.us) provided that each e-mail is less than 20 megabytes.
2. Three (3) sets of full size plans. Although submitting seven sets of full size plans will expedite the review process. Send plans to:

MnDOT – Metro District Planning Section  
Development Reviews Coordinator  
1500 West County Road B-2  
Roseville, MN 55113

3. One (1) compact disk.
4. Plans can also be submitted to MnDOT's External FTP Site at: <ftp://ftp2.dot.state.mn.us/pub/incoming/MetroWatersEdge/Planning>. Internet Explorer may not work using FTP so use an FTP Client or your Windows Explorer (My Computer). Notify [metrodevreviews.dot@state.mn.us](mailto:metrodevreviews.dot@state.mn.us) indicating the plans have been submitted on the FTP site.

If you have any questions concerning this review, please contact me at 651-234-7784.

Sincerely,



Karen Scheffing  
MnDOT Principal Planner

**Copy sent via E-Mail:**

Buck Craig, Permits  
Nancy Jacobson, Design  
Bryce Fossand, Water Resources  
Matt Aguirre, Right-of-Way  
Russ Owen, Metropolitan Council  
Kaare Festvog, Traffic  
Ryan Coddington, Area Engineer  
Natalie Ries, Noise/Air



**City of Lake Elmo  
Planning Commission Meeting  
Minutes of September 25, 2017**

Chairman Kreimer called to order the meeting of the Lake Elmo Planning Commission at 7:00 p.m.

**COMMISSIONERS PRESENT:** Kreimer, Lundquist, Hartley, Dodson, Emerson, Johnson, & Dorschner

**COMMISSIONERS ABSENT:** Williams & Larson

**STAFF PRESENT:** City Planner Becker & City Administrator Handt

**Approve Agenda:**

M/S/P: Lundquist/Hartley, move to accept the agenda as presented, ***Vote: 7-0, motion carried unanimously.***

**Approve Minutes:** September 11, 2017

M/S/P: Dodson/Hartley, move to approve the September 11, 2017 minutes as amended, ***Vote: 7-0, motion carried unanimously.***

**Public Hearing Item – Comprehensive Plan Amendment and Planned Unit Development (PUD) Concept Plan.**

Becker started her presentation regarding the request for a Comprehensive Plan Amendment to re-guide a portion of PID # 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential along with a General Planned Unit Development (PUD) Concept Plan for a 300 unit multi-family development on a 21.60 acre parcel to be called Springs Apartments.

The Concept proposed has 15 buildings with 20 units each. There are 4 detached garages, 542 parking spaces, and a clubhouse and pool area. The development is proposed to be a fenced in community with controlled access. The apartments are proposed to be town house style, two stories in height with a ground level entrance to each unit. This development is proposed to have a density of 13.89 units per acre. The property is currently guided Medium Density Residential which allows for 4.5-7 units per acre. While the land use guidance is not currently appropriate for the proposed development, there are a number of statements in the Comprehensive Plan's City Wide

Planning Policy that indicate the city should provide a variety of housing options available to moderate income families as well as options for senior housing. The met Council reported that there currently is only 204 rental units within the City. The system statement indicated that there is a need for 508 more units of affordable households in Lake Elmo. This development could satisfy a need for both rental units and add a variety of housing options for the community.

This development is a Planned Unit Development to provide flexibility in the use of land and placement and size of the buildings in order to utilize the site features and obtain a higher quality development. They require a planned unit development as they are proposing more than one principal building on a lot and requesting larger than 1,000 foot garage. To be a Planned Unit Development, the applicant must meet the objectives outlined in code. Staff feels that the applicant meets a number of the objectives. This proposal meets the minimum requirements for a PUD for land area, open space and street layout. There are also a number of proposed amenities such as the underground parking, clubhouse, pool, etc. The City could also require additional amenities.

This development was reviewed against HDR standards, as that is the zoning that would be necessary to move forward. The developer is not proposing a park, but this development has not gone to Parks Commission yet. The developer currently shows a sidewalk, but the comprehensive trail plan calls for a trail. That would be a condition of approval. The Savona Park is within walking distance, so staff would not recommend an additional park in this development.

There were a number of engineering comments such as turn lanes would need to be installed at proposed Hudson Blvd and Junco intersection, connecting trail segment to Savona Park, consider a financial contribution to Keats/Hudson traffic light.

Becker went through the recommended conditions which include Comp Plan Amendment be approved, City Engineer Memo addressed, identify all deviations, landscape plan reviewed and approved, etc.

There were a number of concerns received prior to the public hearing notice which included 1) proposed density is almost double what is guided 2) didn't know they would be living next to apartments 3) increased use of 5<sup>th</sup> Street 4) apartments could attract young people – problems with that 5) fear of section 8 6) increased foot traffic 7) expression of support – good solid developer.

For the Comprehensive Plan amendment, recommended conditions of approval are 1) that the Comprehensive Plan Amendment be submitted to the Met Council and that review be completed and approved and 2) that the applicant obtain Preliminary Plat approval from the City for the proposed development based on the proposed Concept Plan.

Dodson asked why the PUD is necessary if it is reguided to HDR. Becker stated that the reason this development would need to be a PUD is because they are proposing more than 1 building on 1 parcel. Dodson asked if a building height has been determined yet. Becker stated that it has not been given with the Concept plan, but she believes in this zoning district it is limited to 35 feet. Dodson asked if this property was purchased and if they have, why would they not know the parkland dedication. Becker does not believe it has been purchased yet.

Hartley asked about the future road to the West. Becker stated that it would be constructed with this development. That would give the access to this development and would connect 5<sup>th</sup> Street and Hudson Blvd.

Emerson asked what the parcel to the West is guided for. Becker stated it is currently guided the same as this parcel. Top half is Medium Density Residential and bottom half is commercial.

Dorschner asked if the Comprehensive Plan goes through, how do they guarantee that this applicant is the one that will use the property. Becker stated that a recommended condition of the Comprehensive Plan Amendment is that the City approve a preliminary plat submitted by Continental 419 Fund, LLC based on this concept plan. If this Concept plan does not get preliminary plat approval, the Comprehensive Plan Amendment does not move forward.

Gwynn Wheeler, Continental Properties, stated that they have in-house management staff. She stated that they are attracted to Lake Elmo and this property because it has good access and will appeal to the people that they will market to. They looked at the other sites in Lake Elmo that are guided high density and they ruled those sites out. This is the best site for them based on their research. Wheeler presented features of development including what the clubhouse and apartments would look like. Wheeler showed some renderings of what the view from Savona would look like. Wheeler talked about the lighting for the development. She stated that they are fully aware of the City lighting criteria. The average rent of an apartment at the Springs is \$1,491.00 which is close to a monthly mortgage payment.

Hartley asked about the noise control brought up by the DOT. Wheeler stated that they feel the distance from the freeway will ensure that noise will not be a factor.

Dodson asked if there was a response to the Fire Chief's comment about the emergency access being paved. He is also wondering why Junco Road is not continued down into the development as another access point. Wheeler stated that they did not meet directly with the Fire Chief. She stated that it was their intention to have it unpaved as a further deterrent that it is not a resident access point. Dodson is also wondering why the pool is not more centrally located. Wheeler stated that it needs to be by the clubhouse which is best located at the front of the development for access control.

Dorschner stated that one of the challenges in Lake Elmo is affordable housing and this would not meet that criteria. He is wondering if there is any interest in making any of the units affordable housing. Wheeler stated that all of the Springs is market rate and affordable housing is not in their business model. Wheeler stated that the other sites that are already zoned high density are not currently available. One is already under contract and the other has no sanitary sewer available.

Public Hearing opened at 8:12 pm

Tucker Pearce, 9811 7<sup>th</sup> Street, for perspective, Savona has 310 units on 112 acres vs. 300 units on 21 acres. When residents purchased homes in Savona they did their research to make sure this land wasn't guided UHD, commercial or business park. He is asking that the City stick to the Comprehensive Plan and deny the request.

Chris Peltier, 9586 Junco Road, he is concerned about the financial impact of being located basically across the street from a 300 unit apartment building.

Ryan Atkin, 9539 Junco Rd, he is concerned about the selective data sharing by Continental to generate acceptance of this proposal. The majority of Savona neighbors oppose this development. Atkin feels the rentals are incompatible with the Savona neighborhood and there is not an adequate buffer.

Michael Kobe, 9616 Junco Road, he feels that the property is correctly zoned as Urban Medium density as there should be a buffer from single family homes and Urban High density and commercial. Kobe stated that home values would decrease by 15% because of proximity. Lake Elmo is on track to hit the required numbers without this development going in. There is a reason this requires a 4/5 vote of the City Council because the effects of this are significant.

Stefany Lorang, 9918 7<sup>th</sup> Street, when they built their home, they did their research and looked at the Comprehensive Plan to see what could be built around them. This property is guided for Medium Density. The proposed plan is for High Density and at the high range which is nearly double what it is currently guided. She is concerned about the increased traffic as traffic projections was based on the UMD density. She is concerned about the lack of buffer, light pollution, and undesirable aesthetic of 15 identical buildings. Lorang submitted a petition signed by 48 residents.

Michael Brixius, 9594 Junco Rd, lived in one of the properties owned by Continental. Some things that were not talked about was all of the moving trucks with people moving in and out. With the "pet friendly" environment comes stray cats and excess garbage.

Kyle Heller, 9684 7<sup>th</sup> Street, agrees with former speakers. Savona is a close knit neighborhood and they are a connected part of the community. The recent article

talked about Lake Elmo being the fastest growing community. Is this necessary and can we slow down? The City is on track to meet their numbers, so moving quickly is not necessary. Heller feels that the long range planning is important and the City should stick to the vision that has been set forth from the long range planning.

Email from Jacob Hafdahl, stating that they didn't buy in Savona thinking that they would be living adjacent to High Density Residential. Moved to Lake Elmo because of issues they had where they lived with adjacent High Density.

Email from Todd Williams, Planning Commission Member, does not have a problem with development, but would like to see affordable housing included in the proposal.

Letter from Eric Piekarski in support and stated that it would be a complementary addition to Lake Elmo.

Paul Rstvedt, 528 Juniper Ct N, agrees with everyone who spoke before him. He is concerned with the number of people that would be moving in. That is a lot of people in a small area.

Public Hearing closed at 8:45 pm

Dorschner thinks that if this is done with a PUD, the City has a lot more control over what goes in vs if it is left medium density residential. He thinks it is a good product, but with all of the input he has heard tonight, he hesitates to support it.

Lundquist is for the apartments, because there is nothing like that in Lake Elmo. She is not in favor of it going on this property however.

Dodson feels that if people are relying on the Comprehensive Plan when purchasing property, that should be taken into consideration. He likes the development, but feels there might be a better location for it.

Johnson thinks that along 94, there will be some sort of mix of this type of product. This use would be allowed on that property, just not at the density proposed. If not this development, than what would it be?

Dorschner would rather have high end apartments at a higher density, than lower end apartments at a lower density.

Emerson went out to site and feels that the high end apartments at a higher density would be better than low end apartments with a lower density. He doesn't think there is a different spot in Lake Elmo that could accommodate this plan.

Hartley feels that the Comprehensive Plan is a public document that people have relied on. He feels this is a case of balancing the rights of existing residents with the rights of the property owner to develop.

Dodson stated the right of the property owner to develop is according to how the Comprehensive Plan is set.

Kreimer helped plan the I-94 Corridor and they set out to have a good transition from low density and transitioning to higher density and commercial as it gets closer to 94. He does not like that it is jumping to high density here. However, the plan feels more like a medium density because of the lower buildings and it is a nice plan. He is not comfortable with it being at the top of the high density. It is difficult, but until something is built, things can change. Kreimer is not sure he can support this plan as is, but could get there with changes.

M/S/P: Dodson/Dorschner, move to add condition #10 that the buildings be built to add sound abatement materials, **Vote: 7-0, motion carried unanimously.**

Hartley asked what the highest density of Medium density is. Becker stated it is 7 units per acre, and this could be increased to 8.4 units per acre with a PUD.

M/S/P: Kreimer/Emerson, move to add condition #11 that extensive screening be added above and beyond City requirements along 5<sup>th</sup> Street, **Vote: 7-0, motion carried unanimously.**

M/S/P: Kreimer/Lundquist, move to add condition #12 that Park Commission input be given regarding a tot lot, **Vote: 7-0, motion carried unanimously.**

M/S/P: Dorschner/Lundquist, move to add condition #13 to limit the height of the building to 2 stories not to exceed 32 feet, **Vote: 7-0, motion carried unanimously.**

M/S/P: Dodson/Dorschner, move to recommend denial of a Comprehensive Plan Amendment re-guiding a portion of PID # 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential as requested by Continental 419 Fund LLC subject to recommended conditions of approval, **Vote: 7-0, motion carried unanimously.**

M/S/P: Dorschner/Dodson, move that if the City Council approves the Comprehensive Plan Amendment, that they follow the Planning Commission recommendations on conditions of approval for the Concept PUD Plan as amended, **Vote: 7-0, motion carried unanimously.**

**Public Hearing Item – Variance request for 8130 Hill Trail N.**

Becker started her presentation regarding the request for 8130 Hill Trail North to allow installation of a new septic system which does not meet setback standards and expansion of a non-conforming structure within the Shoreland district. The existing drainfield has been there since 1981. The proposed drainfield is much more conforming to existing standards than the existing.

The type of septic system being proposed is a Multi-Flo system. There is an aerobic tank which filters over 95% of contaminants before entering the drainfield. It is required to be serviced 2 times a year with reports being sent.

The application was sent to Washington Public Health and the DNR for review and no comments were received back.

The applicant is replacing the existing septic to expand their existing home which is mostly in the required setback from OHWL. With all of the proposed improvements, the impervious is decreasing from 27% to 25%.

Soil borings taken by septic designer determined that there is no other acceptable place to put the septic. The applicant is trying not to increase the non-conformity of the property.

There are 2 recommended conditions of approval for the septic variance 1) the sewage system should be serviced and inspected every 2 years and 2) The existing tanks shall be abandoned, pumped and filled with soil and a tank abandonment report shall be completed.

There are 2 recommended conditions of approval for the expansion of a Non-conforming structure 1) the applicant remove the existing gravel driveway and re-sod the proposed site plan and 2) the maximum allowable impervious surface coverage on the property shall not exceed the proposed 25%.

Hartley asked if there was any information from an independent engineering company. Becker stated that there is no information from an independent engineering company and they have not heard from Washington County.

Peter Pavek, 8130 Hill Trail, stated this is an improvement to what is already there. Chris LeClaire was on-site when the soil borings were done and it was determined this was the appropriate site for the septic.

Public Hearing opened at 10:00 pm

Dean Dwarak, 8114 Hill Trail, is in support of the variance as it is an improvement to the septic system as well as the house. These improvements will increase property values for the neighborhood.

Edward Gwiazdon, 8164 Hill Trail, they are in full support of the variance to improve the property and keep the lake safer.

There were 2 emails received in support of the variance.

Public Hearing closed at 10:04 pm

M/S/P: Hartley/Dorschner, move to add a condition that a Washington County septic permit be obtained, **Vote: 7-0, motion carried unanimously.**

M/S/P: Lundquist/Johnson, move to recommend approval of the request from Peter and Adrienne Pavek for a variance from the required setbacks for a septic system from property lines, shoreland bluff line, Ordinary High Water Level and non-occupied structure, subject to recommended conditions of approval as amended, **Vote: 7-0, motion carried unanimously.**

M/S/P: Dorschner/Lundquist, move to recommend approval of the request from Peter and Adrienne Pavek for a variance to allow expansion of a non-conforming structure not meeting the required setback from the Ordinary High Water Level or minimum lot size required within the Rural Single Family zoning district, subject to recommended conditions of approval, **Vote: 7-0, motion carried unanimously.**

**Public Hearing Item – Variance request for 8323 Deer Pond Trail N.**

Becker started her presentation of a request from Ben Ostarello for a variance from the minimum front setback standards for the Rural Single Family zoning district in order to add an additional stall to an existing attached garage on the property at 8323 Deer Pond Trail.

The house was built in 1973 and is constructed at an angle which makes adding on difficult. The character of the locality is not affected.

Ben Ostarello, 8323 Deer Pond Tr, they have 2 small children and need the space to expand. He feels this variance will increase the value of his home.

Public Hearing opened at 10:22 pm

2 letters were received both in favor of the variance.

Public Hearing closed at 10:22 pm

M/S/P: Lundquist/Hartley, move to recommend approval of the request from Ben Ostarello for a variance from the City's Rural Single Family minimum front yard setback

requirements for the property located at 8323 Deer Pond Trail N, **Vote: 7-0, motion carried unanimously.**

**City Council Updates – September 19, 2017 Meeting**

- i) Royal Golf Development Agreement – passed
- ii) Northport Development Agreement – passed
- iii) Hidden Meadows Final Plat Extension Denial- passed

**Staff Updates**

- 1. Upcoming Meetings
  - a. October 11, 2017
  - b. October 23, 2017
- 2. MAC CEP Report

**Commission Concerns**

Hartley found it a little disturbing that the developer was conducting neighborhood meetings. It is concerning that the minutes are prepared and presented by the developer. He had zero confidence in them.

Lundquist stated that they have a right to submit whatever they choose and it is up to the Planning Commission to be discerning when they read the information.

Kreimer stated that they have no way of knowing who attended the meetings. There could have been a different group of people that were in favor that didn't come to the Planning Commission meeting.

Meeting adjourned at 10:27 pm

Respectfully submitted,

Joan Ziertman  
Planning Program Assistant

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-112**

*A RESOLUTION DENYING A COMPREHENSIVE PLAN AMENDMENT TO CHANGE THE  
LAND USE DESIGNATION FROM URBAN MEDIUM DENSITY RESIDENTIAL TO URBAN  
HIGH DENSITY RESIDENTIAL FOR A PORTION OF PID# 34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo (the “City”) has established a Comprehensive Plan that provides a compilation of background data, policy statements, standards, and maps, which help to guide the future physical, social, and economic development of the City; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City to amend the Comprehensive Plan, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the request to amend the Comprehensive Plan was submitted by the Applicant along with a Planned Unit Development Concept Plan for a proposed multi-family development located on a portion of PID# 34.029.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017, and

**WHEREAS**, the Planning Commission held a public hearing on September 25, 2017 to consider the Applicant’s requests; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant’s requests; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant’s requests at its meeting on October 17, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is not consistent with the spirit and intent of the Comprehensive Plan.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS.**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:

- a. On page III-11, updating Table 3-B to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
  - b. Updating Map 3-3 – the planned land use map to re-guide the land use from Urban Medium Density Residential to Urban High Density Residential.
3. That the proposed amendments will negatively affect surrounding properties.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby denies the request by Continental 419 Fund, LLC to amend the City of Lake Elmo Comprehensive Plan by re-guiding a portion of PID# 34.029.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017 from Urban Medium Density Residential to Urban High Density Residential.

Passed and duly adopted this 17th day of October 2017, by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-112**

*A RESOLUTION APPROVING A COMPREHENSIVE PLAN AMENDMENT TO CHANGE THE LAND USE DESIGNATION FROM URBAN MEDIUM DENSITY RESIDENTIAL TO URBAN HIGH DENSITY RESIDENTIAL FOR A PORTION OF PID# 34.02.21.43.0003 AND TO AUTHORIZE STAFF TO SUBMIT A COMPREHENSIVE PLAN AMENDMENT FOR SAME TO THE METROPOLITAN COUNCIL*

**WHEREAS**, the City of Lake Elmo (the “City”) has established a Comprehensive Plan that provides a compilation of background data, policy statements, standards, and maps, which help to guide the future physical, social, and economic development of the City; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City to amend the Comprehensive Plan, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the request to amend the Comprehensive Plan was submitted by the Applicant along with a Planned Unit Development Concept Plan for a proposed multi-family development located on a portion of PID# 34.02.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017, and

**WHEREAS**, the Planning Commission held a public hearing on September 25, 2017 to consider the Applicant’s requests; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant’s requests; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant’s requests at its meeting on October 17, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is consistent with the spirit and intent of the Comprehensive Plan and beneficial by providing a housing option not currently available in the community and will attract higher quality businesses to the areas guided for commercial land use to the south of the development.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:
  - a. On page III-11, updating Table 3-B to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
  - b. Updating Map 3-3 – the planned land use map to re-guide the land use from Urban Medium Density Residential to Urban High Density Residential.
3. That the proposed amendments are consistent with the overall goals and objectives of the Comprehensive Plan.

**NOW, THEREFORE, BE IT RESOLVED**, that based on the above findings of fact, the Lake Elmo City Council hereby approves the Applicant's request to amend the Comprehensive Plan as follows:

- a. Updating Table 3-B on page III-11 to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
- b. Updating Map 3-3 – the planned land use map to show the proposed development area as guided for Urban High Density Residential.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby authorizes and directs staff to submit a Comprehensive Plan amendment consistent herewith to the Metropolitan Council for review and approval, contingent upon the City's preliminary approval of the plat based on the Concept Planned Unit Development Plan as proposed by the Applicant.

Passed and duly adopted this 17th day of October 2017, by the City Council of the City of Lake Elmo, Minnesota.

\_\_\_\_\_  
Mike Pearson, Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-113**

*RESOLUTION DENYING THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN AS  
PROPOSED BY CONTINENTAL 419 FUND, LLC FOR A PORTION OF PID#  
34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City of Lake Elmo (City) for a Concept PUD Plan for a 300 multiple family residential planned unit development on a 21.6 acre portion of PID# 34.029.21.43.0003, a copy of which is on file in the City of Lake Elmo Planning and Zoning Department; and

**WHEREAS**, notice has been published, mailed and posted pursuant to the Lake Elmo Zoning Ordinance, Section 154.102; and

**WHEREAS**, the Lake Elmo Planning Commission held a public hearing on September 25, 2017 to consider the Concept PUD approval request; and

**WHEREAS**, the Lake Elmo Planning Commission adopted a motion recommending denial of the Concept PUD Plan, based on a recommended denial of a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential; and

**WHEREAS**, the Lake Elmo Planning Commission has submitted its report and recommendation concerning the Concept PUD as part of a memorandum to the City Council from the Planning Director for the October 17, 2017 Council Meeting; and

**WHEREAS**, the City Council reviewed the application at its meeting held on October 17, 2017 and made the following findings of fact:

1. That the PUD Concept Plan is not consistent with the intent of the Lake Elmo Comprehensive Plan and the Future Land Use Map for this area.
2. That the City has denied a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential.
3. That the PUD Concept Plan generally complies with the City’s Subdivision regulations.
4. That the PUD Concept Plan is generally consistent with the City’s engineering standards with exceptions as noted in the City Engineer’s memorandum dated September 7, 2017.

5. The PUD Concept Plan meets the minimum requirement for a PUD including minimum lot area, open space and street layout.
6. The PUD Concept Plan meets more than one of the required PUD objectives identified in Section 154.751 including providing: innovation in land development techniques that may be more suitable for a given parcel than conventional approaches; provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques; accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing; coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses; and higher standards of site and building design than would otherwise be provided under conventional land development technique.
7. That the PUD Concept Plan does not comply with the general intent of the Urban Medium Density Residential zoning district for which the property is guided.
8. That the PUD Concept Plan does not meet the density requirements of the Urban Medium Density Residential land use guidance.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council does hereby deny the Concept PUD Plans as proposed by Continental 419 Fund, LLC.

Passed and duly adopted this 17<sup>th</sup> day of October, 2017 by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-113**

*RESOLUTION APPROVING THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN AS  
PROPOSED BY CONTINENTAL 419 FUND, LLC FOR A PORTION OF PID#  
34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City of Lake Elmo (City) for a Concept PUD Plan for a 300 multiple family residential planned unit development on a 21.6 acre portion of PID# 34.029.21.43.0003, a copy of which is on file in the City of Lake Elmo Planning and Zoning Department; and

**WHEREAS**, notice has been published, mailed and posted pursuant to the Lake Elmo Zoning Ordinance, Section 154.102; and

**WHEREAS**, the Lake Elmo Planning Commission held a public hearing on September 25, 2017 to consider the Concept PUD approval request; and

**WHEREAS**, the Lake Elmo Planning Commission adopted a motion recommending denial of the Concept PUD Plan, based on a recommended denial of a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential; and

**WHEREAS**, the Lake Elmo Planning Commission has submitted its report and recommendation concerning the Concept PUD as part of a memorandum to the City Council from the Planning Director for the October 17, 2017 Council Meeting; and

**WHEREAS**, the City Council reviewed the application at its meeting held on October 17, 2017 and made the following findings of fact:

1. That if the Lake Elmo Comprehensive Plan and Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential, the PUD Concept Plan is consistent with the intent of the Lake Elmo Comprehensive Plan and the Future Land Use Map for this area.
2. That the PUD Concept Plan complies with the general intent of the Urban High Density Residential zoning districts with PUD modifications.
3. That the PUD Concept Plan generally complies with the City’s Subdivision regulations.

4. That the PUD Concept Plan is generally consistent with the City's engineering standards with exceptions as noted in the City Engineer's memorandum dated September 7, 2017.
5. The PUD Concept Plan meets the minimum requirement for a PUD including minimum lot area, open space and street layout.
6. The PUD Concept Plan meets more than one of the required PUD objectives identified in Section 154.751 including providing: innovation in land development techniques that may be more suitable for a given parcel than conventional approaches; provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques; accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing; coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses; and higher standards of site and building design than would otherwise be provided under conventional land development technique.
7. The PUD Concept Plan meets the allowed density requirements provided the Comprehensive Plan's Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council does hereby approve the Concept PUD Plans as proposed by Continental 419 Fund, LLC subject to the following conditions:

1. Approval of a Comprehensive Plan Amendment to amend the City's Land Use Plan to re-guide a portion of the Property from Urban Medium Density Residential to Urban High Density Residential.
2. That the future preliminary plat and preliminary PUD Plans include a portion of the parcel with the PID# 34.029.21.43.0003.
3. That the future preliminary plat and preliminary PUD Plans submittal identify all requests for flexibility from the Zoning Code.
4. That all comments of the City Engineer's Memorandum dated September 7, 2017 be addressed with the future preliminary plat and preliminary PUD Plans submittal.
5. That the Preliminary Plat and PUD Plans submittal include a landscape plan to be reviewed and approved by the City's Landscape Architect.
6. That the Preliminary Plat and PUD Plans submittal include accurate open space and impervious surface calculations.
7. That a trail be provided along the future road providing primary access to the development instead of a sidewalk.

8. That fees in lieu of park land dedication be provided as required by 153.14 with future final plat.
9. That the preliminary plat and preliminary PUD Plans submittal include a detailed architectural plan.
10. That the Applicant assess the noise impact created by Interstate 94 and take necessary action to minimize the impact of any highway noise.
11. That screening along 5<sup>th</sup> Street be provided, exceeding City standards.
12. That the Parks Commission review a need for a totlot within the development.
13. That the buildings within the proposed PUD Concept Plan not exceed 32 feet in height and include masonry features.

Passed and duly adopted this 17<sup>th</sup> day of October, 2017 by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-112**

*A RESOLUTION APPROVING A COMPREHENSIVE PLAN AMENDMENT TO CHANGE THE LAND USE DESIGNATION FROM URBAN MEDIUM DENSITY RESIDENTIAL TO URBAN HIGH DENSITY RESIDENTIAL FOR A PORTION OF PID# 34.02.21.43.0003 AND TO AUTHORIZE STAFF TO SUBMIT A COMPREHENSIVE PLAN AMENDMENT FOR SAME TO THE METROPOLITAN COUNCIL*

**WHEREAS**, the City of Lake Elmo (the “City”) has established a Comprehensive Plan that provides a compilation of background data, policy statements, standards, and maps, which help to guide the future physical, social, and economic development of the City; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City to amend the Comprehensive Plan, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the request to amend the Comprehensive Plan was submitted by the Applicant along with a Planned Unit Development Concept Plan for a proposed multi-family development located on a portion of PID# 34.02.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017, and

**WHEREAS**, the Planning Commission held a public hearing on September 25, 2017 and again reviewed the requests on November 13, 2017; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant’s requests; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant’s requests at its meeting on October 17, 2017 and November 21, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is consistent with the spirit and intent of the Comprehensive Plan and beneficial by providing a housing option not currently available in the community and will attract higher quality businesses to the areas guided for commercial land use to the south of the development.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:
  - a. On page III-11, updating Table 3-B to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
  - b. Updating Map 3-3 – the planned land use map to re-guide the land use from Urban Medium Density Residential to Urban High Density Residential.
3. That the proposed amendments are consistent with the overall goals and objectives of the Comprehensive Plan.

**NOW, THEREFORE, BE IT RESOLVED**, that based on the above findings of fact, the Lake Elmo City Council hereby approves the Applicant's request to amend the Comprehensive Plan as follows:

- a. Updating Table 3-B on page III-11 to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
- b. Updating Map 3-3 – the planned land use map to show the proposed development area as guided for Urban High Density Residential.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby authorizes and directs staff to submit a Comprehensive Plan amendment consistent herewith to the Metropolitan Council for review and approval, contingent upon the City's preliminary approval of the plat based on the Concept Planned Unit Development Plan as proposed by the Applicant.

Passed and duly adopted this 21<sup>st</sup> day of November 2017, by the City Council of the City of Lake Elmo, Minnesota.

\_\_\_\_\_  
Mike Pearson, Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-112**

*A RESOLUTION DENYING A COMPREHENSIVE PLAN AMENDMENT TO CHANGE THE  
LAND USE DESIGNATION FROM URBAN MEDIUM DENSITY RESIDENTIAL TO URBAN  
HIGH DENSITY RESIDENTIAL FOR A PORTION OF PID# 34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo (the “City”) has established a Comprehensive Plan that provides a compilation of background data, policy statements, standards, and maps, which help to guide the future physical, social, and economic development of the City; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City to amend the Comprehensive Plan, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the request to amend the Comprehensive Plan was submitted by the Applicant along with a Planned Unit Development Concept Plan for a proposed multi-family development located on a portion of PID# 34.029.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017, and

**WHEREAS**, the Planning Commission held a public hearing on September 25, 2017 and again reviewed the requests on November 13, 2017; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant’s requests; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant’s requests at its meetings on October 17, 2017 and November 21, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is not consistent with the spirit and intent of the Comprehensive Plan.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS.**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:

- a. On page III-11, updating Table 3-B to reflect proposed increased acreage of Urban High Density Residential and decreased acreage of Urban Medium Density Residential.
- b. Updating Map 3-3 – the planned land use map to re-guide the land use from Urban Medium Density Residential to Urban High Density Residential.
3. That the land guided as Urban Medium Density is a sufficient gradation from Urban Low Density Residential to Commercial.
4. That approximately 70 residents, mostly from an adjacent development, signed and submitted a petition opposing the proposed Comprehensive Plan Amendment.
5. That no benefit to the City has been proposed that is significant enough to warrant an increase in density afforded by a Comprehensive Plan Amendment.
6. There are other properties along the I-94 corridor that are guided for Urban High Density Residential.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby denies the request by Continental 419 Fund, LLC to amend the City of Lake Elmo Comprehensive Plan by re-guiding a portion of PID# 34.029.21.43.0003 as shown on the attached Boundary Exhibit dated August 15, 2017 from Urban Medium Density Residential to Urban High Density Residential.

Passed and duly adopted this 21<sup>st</sup> day of November 2017, by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-113**

*RESOLUTION APPROVING THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN AS  
PROPOSED BY CONTINENTAL 419 FUND, LLC FOR A PORTION OF PID#  
34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City of Lake Elmo (City) for a Concept PUD Plan for a 300 multiple family residential planned unit development on a 21.6 acre portion of PID# 34.029.21.43.0003, a copy of which is on file in the City of Lake Elmo Planning and Zoning Department; and

**WHEREAS**, notice has been published, mailed and posted pursuant to the Lake Elmo Zoning Ordinance, Section 154.102; and

**WHEREAS**, the Lake Elmo Planning Commission held a public hearing on September 25, 2017 to consider the Concept PUD approval request; and

**WHEREAS**, the Lake Elmo Planning Commission adopted a motion recommending denial of the Concept PUD Plan, based on a recommended denial of a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential; and

**WHEREAS**, the Lake Elmo Planning Commission has submitted its report and recommendation concerning the Concept PUD as part of a memorandum to the City Council from the Planning Director for the October 17, 2017 and November 21, 2017 Council Meetings; and

**WHEREAS**, the City Council reviewed the application at its meeting held on October 17, 2017 and made the following findings of fact:

1. That if the Lake Elmo Comprehensive Plan and Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential, the PUD Concept Plan is consistent with the intent of the Lake Elmo Comprehensive Plan and the Future Land Use Map for this area.
2. That the PUD Concept Plan complies with the general intent of the Urban High Density Residential zoning districts with PUD modifications.
3. That the PUD Concept Plan generally complies with the City’s Subdivision regulations.

4. That the PUD Concept Plan is generally consistent with the City's engineering standards with exceptions as noted in the City Engineer's memorandum dated September 7, 2017.
5. The PUD Concept Plan meets the minimum requirement for a PUD including minimum lot area, open space and street layout.
6. The PUD Concept Plan meets more than one of the required PUD objectives identified in Section 154.751 including providing: innovation in land development techniques that may be more suitable for a given parcel than conventional approaches; provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques; accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing; coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses; and higher standards of site and building design than would otherwise be provided under conventional land development technique.
7. The PUD Concept Plan meets the allowed density requirements provided the Comprehensive Plan's Land Use Map is amended to re-guide the planned development from Urban Medium Density Residential to Urban High Density Residential.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council does hereby approve the Concept PUD Plans as proposed by Continental 419 Fund, LLC subject to the following conditions:

1. Approval of a Comprehensive Plan Amendment to amend the City's Land Use Plan to re-guide a portion of the Property from Urban Medium Density Residential to Urban High Density Residential.
2. That the future preliminary plat and preliminary PUD Plans include a portion of the parcel with the PID# 34.029.21.43.0003.
3. That the future preliminary plat and preliminary PUD Plans submittal identify all requests for flexibility from the Zoning Code.
4. That all comments of the City Engineer's Memorandum dated September 7, 2017 be addressed with the future preliminary plat and preliminary PUD Plans submittal.
5. That the Preliminary Plat and PUD Plans submittal include a landscape plan to be reviewed and approved by the City's Landscape Architect.
6. That the Preliminary Plat and PUD Plans submittal include accurate open space and impervious surface calculations.
7. That a trail be provided along the future road providing primary access to the development instead of a sidewalk.

8. That fees in lieu of park land dedication be provided as required by 153.14 with future final plat.
9. That the preliminary plat and preliminary PUD Plans submittal include a detailed architectural plan.
10. That the Applicant assess the noise impact created by Interstate 94 and take necessary action to minimize the impact of any highway noise.
11. That screening along 5<sup>th</sup> Street be provided, exceeding City standards.
12. That the Parks Commission review a need for a totlot within the development.
13. That the buildings within the proposed PUD Concept Plan not exceed 32 feet in height and include masonry features.

Passed and duly adopted this 21<sup>st</sup> day of November 2017 by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-113**

*RESOLUTION DENYING THE CONCEPT PLANNED UNIT DEVELOPMENT PLAN AS  
PROPOSED BY CONTINENTAL 419 FUND, LLC FOR A PORTION OF PID#  
34.029.21.43.0003*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Continental 419 Fund LLC, W134 N8675 Executive Parkway, Menomonee Falls, WI 53051 (the “Applicant”) has submitted an application to the City of Lake Elmo (City) for a Concept PUD Plan for a 300 multiple family residential planned unit development on a 21.6 acre portion of PID# 34.029.21.43.0003, a copy of which is on file in the City of Lake Elmo Planning and Zoning Department; and

**WHEREAS**, notice has been published, mailed and posted pursuant to the Lake Elmo Zoning Ordinance, Section 154.102; and

**WHEREAS**, the Lake Elmo Planning Commission held a public hearing on September 25, 2017 and again reviewed the Concept PUD on November 13, 2017; and

**WHEREAS**, the Lake Elmo Planning Commission adopted a motion recommending denial of the Concept PUD Plan, based on a recommended denial of a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential; and

**WHEREAS**, the Lake Elmo Planning Commission has submitted its report and recommendation concerning the Concept PUD as part of a memorandum to the City Council from the Planning Director for the October 17, 2017 and November 21, 2017 Council Meetings; and

**WHEREAS**, the City Council reviewed the application at its meeting held on October 17, 2017 and made the following findings of fact:

1. That the PUD Concept Plan is not consistent with the intent of the Lake Elmo Comprehensive Plan and the Future Land Use Map for this area.
2. That the City has denied a proposed Comprehensive Plan Amendment to re-guide a portion of PID# 34.029.21.43.0003 from Urban Medium Density Residential to Urban High Density Residential.
3. That the PUD Concept Plan generally complies with the City’s Subdivision regulations.

4. That the PUD Concept Plan is generally consistent with the City's engineering standards with exceptions as noted in the City Engineer's memorandum dated September 7, 2017.
5. The PUD Concept Plan meets the minimum requirement for a PUD including minimum lot area, open space and street layout.
6. The PUD Concept Plan meets more than one of the required PUD objectives identified in Section 154.751 including providing: innovation in land development techniques that may be more suitable for a given parcel than conventional approaches; provision of a more adequate, usable, and suitably located open space, recreational amenities and other public facilities than would otherwise be provided under conventional land development techniques; accommodation of housing of all types with convenient access to employment opportunities and/or commercial facilities; and especially to create additional opportunities for senior and affordable housing; coordination of architectural styles and building forms to achieve greater compatibility within the development and surrounding land uses; and higher standards of site and building design than would otherwise be provided under conventional land development technique.
7. That the PUD Concept Plan does not comply with the general intent of the Urban Medium Density Residential zoning district for which the property is guided.
8. That the PUD Concept Plan does not meet the density requirements of the Urban Medium Density Residential land use guidance.

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council does hereby deny the Concept PUD Plans as proposed by Continental 419 Fund, LLC.

Passed and duly adopted this 21<sup>st</sup> day of November 2017 by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk



## STAFF REPORT

DATE: December 5, 2017

**REGULAR**

ITEM #15

**TO:** Honorable Mayor and City Council  
**FROM:** Brian A. Swanson – Finance Director  
**AGENDA ITEM:** Public Hearing for 2018 General Fund Budget and 2018 Final Property Levy Certification – Resolution 2017-135  
**REVIEWED BY:** Kristina Handt – City Administrator

---

### **BACKGROUND:**

At the July 13<sup>th</sup> and July 27<sup>th</sup> Finance Committee meetings, discussions occurred regarding the 2018 Preliminary Budget for the General Fund and Utility Funds. Based upon those meetings, staff adjusted budgets in preparation for the joint meeting with the City Council and Finance Committee.

At the August 10<sup>th</sup> joint meeting, and August 22<sup>nd</sup> City Council workshop, discussions occurred regarding the 2017 Adopted Budget, 2018 Preliminary Budget, as well as discussions on the 2018 Preliminary Property Tax Levy.

On the regular City Council meeting of September 19<sup>th</sup>, the City Council adopted a 2018 Preliminary Levy of \$3,626,406, which is an increase of \$675,980, or approximately 22.91% when compared to the 2017 Final Property Tax Levy. In addition, the City Council adopted a 2018 Preliminary General Fund Budget of \$4,700,538, which is an increase of \$749,152 or approximately 18.96% compared to the 2017 Adopted Budget.

### **Process for this evening:**

- 1) Information will be presented pertaining to the 2018 General Fund Budget, 2018 Proposed Property Tax Levy, and other general tax and budgetary information.
- 2) After the presentation, the Mayor is asked to open the public hearing, solicit comments and close the public hearing.
- 3) Based on upon the results of the information provided and public hearing, the City Council can consider the resolution attached to this report, or request it be considered at the December 19, 2017 regular City Council meeting instead for final approval and adoption.

### **ISSUES BEFORE THE CITY COUNCIL:**

- 1) Does the City Council desire to approve the 2018 General Fund Budget as presented?
- 2) Does the City Council desire to set the 2018 Final Property Tax Levy at \$3,596,601, which is an increase of \$646,175 or approximately 21.90% over the 2017 Final Property Tax Levy?

## DISCUSSION:

Attachment #1 includes the entire Proposed 2018 General Fund Budget. The following is a narrative of the 2018 Proposed General Fund Budget highlighting key items:

### Revenues:

1. **Property taxes for the General Fund** – For the 2018 Proposed General Fund Budget, property taxes will increase from \$1,818,847 for the 2017 Adopted Budget to \$2,382,813 for the 2018 Proposed Budget, which is an increase of \$563,966, or 31.01%.
2. **Licenses and Permits** – These are based on staff estimates for related activities within the City, with most line items remaining reasonably consistent compared to the 2017 Adopted Budget. A few key items of note are:
  - a. **Building Permits** – Revenue of \$800,000, which is approximately \$8,000, or 1% less than the 2017 Adopted Budget. This is based on 250 new residential units being constructed in 2018, which is consistent with 2017.
  - b. **Heating and Plumbing Permits** – Both of these are proposed to increase by approximately \$15,000 based on a fee charged for a fireplace, and sewer and water permit, both of which are \$60.00.
  - c. **Fire Sprinkler Alarm Fees** – This fee was instituted in 2017, based on history and estimates were reduced by \$5,000 in total, or 33.33%. This fee was also split into two object codes, Fire Sprinkler Alarm and Fire Alarm Fees.
3. **Intergovernmental** – Municipal State Aid – Maintenance is projected to increase by approximately \$4,700 or 3.61% based on information from MNDOT.
4. **Charges for Services** – These are based from staff estimates and historical information. Two key items of note are :
  - a. **Zoning and Subdivision Fees** – These were increased by \$32,000, from \$23,000 to \$55,000, based on new construction fees and staff estimates for planning and zoning activities.
  - b. **Plan Check Fees** – This line item is proposed to increase by approximately \$12,000 or 2.34%, based on more detailed analyses on the building permits that require plan check review to occur.
5. **Fines are Forfeits** – This line item is proposed to increase by \$2,500, or 5.38% based on historical averages.
6. **Miscellaneous** – Key line items of change compared to the 2017 Adopted Budget are:
  - a. **Cable Franchise Revenue** – This is proposed to decline by \$4,000 or 5.56% based on a city discontinuing participating in the franchise resulting in lower total revenues to be allocated among the remaining cities.
  - b. **Miscellaneous Revenue** – This increase of \$25,900, from \$4,000 to \$29,900, pertains to tax forfeit receipts, miscellaneous accounts receivable items and development fees.
  - c. **Tower Rent** – This proposed increase of \$7,000, or 15.22% is based on existing contracts.
  - d. **Use of Fund Balance** – The proposed increase of \$44,000, or 29.33%, from \$150,000 to \$194,000, is based on a change in philosophy from 2017 to 2018. In 2017, Fund Balance was used to balance the budget from an operational standpoint. For 2018, based on meetings with the Finance Committee, the use of fund balance is being allocated for capital purchases in the General Fund for items less than \$75,000.

Based on this, the proposed purchases are a vehicle for Inspections of \$24,000, a 1 Ton Truck for \$70,000, Vac Trailer for \$45,000, an asphalt roller for \$30,000 and a Cushman Utility Vehicle for \$25,000.

### **Expenditures:**

#### **1) Expenditure themes in the General Fund From the 2017 Adopted to 2018 Proposed -**

- a) **Staffing** – For 2018, no new staffing positions are proposed in the budget. Two key items of note: 1) The Assistant City Administrator position that was approved in 2017, which reflects approximately three and half months of expenditures in 2017 and then a full year in 2018. This position will be allocated 50% to Administration and 50% to Communications. 2) The new staffing model approved for the Fire Department in 2017 is shown for a full year in 2018.
- b) **Salaries** – Extensive work and a compensation study occurred to determine budgeted salary proposals. Staff is recommending salary adjustments to bring staff into alignment of its peer cities group with an inflationary adjustment of two percent. As such, in the expenditures section below, this will not be discussed individually except in the case of staffing model changes approved by the City Council in 2017.
- c) **Benefits** – Subsequent to the 2018 Preliminary General Fund and Property Tax Levy adoption, staff worked to secure better health insurance rates for non-union staff and was successful. Based on budgeted estimates from the original renewal rates for 2018 and comparing them to the new rates, the City was able to reduce the overall city budget by approximately \$33,000, with a General Fund and property tax levy reduction of approximately \$30,000. This information was presented to the City Council on November 14<sup>th</sup> and approved. For other benefits, such as FICA, Medicare, PERA, etc., many of these correlate to salaries on a percentage basis, so as salaries are adjusted, so are these benefits.
- d) **Capital Outlay** – As outlined in the Revenues section above, Capital Outlay within the General Fund for items under \$75,000 will be proposed to be paid with Fund Balance for the 2018 Proposed Budget.

#### **2) Key Expenditure Changes by Dept./Cost Center from 2017 Adopted to 2018 Proposed–**

- a) **Administration** –
  - i) **Personnel** - Increased by approximately \$85,300, or 41%, which is attributed to the Assistant City Administrator salaries and benefits position approved by the City Council in 2017, and other wage adjustments outlined in item #1 above.
  - ii) **Materials and Supplies** – Legal Services is proposed to decrease by \$70,000, or 41.18% based on shifting litigation costs related to 3M to the Water Fund.
  - iii) **Charges and Services** – Assessing services is proposed to increase by \$15,350, or 40.39%, based on 250 new parcels and the Washington County charge. Contract Services, IT, and Software Programs, are proposed to increase by \$11,250, for Shred It, a new website and computer and existing software licensing. Legal Publishing is proposed to increase by approximately \$6,000 or 83% for legal codification updates and other publishing requirements. Cable Operation Expense will decline entirely from \$31,400 related to a one-time capital expenditure.
- b) **Elections** – This is proposed to increase by \$9,000 for the 2018 Election cycle.
- c) **Communications** – This budget is proposed to increase by approximately \$20,000, or 29%, for Personnel Costs related to the Assistant City Administrator of approximately \$41,000, quarterly newsletters for \$6,000 including postage, \$5,000 for cable operations to cover increased meeting and a reduction of approximately \$32,000 for IT/Web costs being

proposed for allocation between the General Fund and Utility Funds.

- d) **Finance –**
  - i) **Personnel** – Proposed to decrease by approximately \$58,000, or 63% based on contracting for Finance Director services and increasing the part-time accountant to full-time as part of the department reorganization in 2017 after the 2017 Adopted Budget was approved.
  - ii) **Charges and Services** – Audit services will increase approximately \$3,000, or 3% based on the contract. Contract services is proposed to increase by approximately \$108,000 based on Finance Director Services being provided by an external firm. Software services is proposed to increase by approximately \$19,000 for support for financial related software and the General Funds share of new financial related software.
- e) **Planning and Zoning – Charges and Services** – This section is proposed to decrease by approximately \$62,000 with the vast majority of the decrease attributed to the Comprehensive Plan update being split into 2017 and 2018 budget cycles based on the timing of the costs.
- f) **City Hall – Charges and Services** – Repair/Maint. Contractual Equipment is to increase by approximately \$2,500, or 16% based on a new copier lease.
- g) **Police – Charges and Services** – Contract with Washington County proposed to increase by approximately \$46,300 or 7.49%. This reflects having the sergeant position filled for the whole year.
- h) **Fire –**
  - i) **Personnel** – Based on City Council action earlier this year, staff was directed to proceed with a revised staffing model that includes career, part-time and paid on call firefighters. As such, this section increased by approximately \$181,000, or 82%. Major changes in this section are the increase in part-time salaries of approximately \$127,000 for 144 hours of service coverage per week and the associated benefits of approximately \$34,000 for this change. The remaining amount of the increase was related to the paid-on-call and personnel changes.
  - ii) **Charges and Services** – This section increased by approximately \$19,000, or 17%, which is mostly related to physicals, training, uniforms for the new part-time hires and repairs.
- i) **Building Inspection –**
  - i. **Charges and Services** - This section increased by approximately \$3,000, or 19%. This is based on I-pads and telephone service for fieldwork of approximately \$8,000 and a reduction of \$5,000 for engineering services that can be handled by the current Building Official.
  - ii. **Capital Outlay** – Vehicle purchase of \$24,000 approximately to be paid from Fund Balance.
- j) **Emergency Communications – Contract Services** – decrease of \$3,615, or 67% for pole replacement project done in 2017.
- k) **Public Works –**
  - i. **Personnel** – On call pay was added for \$4,000 for the year and a safety clothing allowance is being allocated that total \$175 per employee that is split among Public Works, Parks and the three Utility Funds.
  - ii. **Material and Supplies** – Increased by approximately \$16,000, or 2.86%,

which is related to sand/salt increase of \$10,000, small tools and minor equipment increase of \$5,000 for a pallet rack and net increase of \$1,000 across various accounts.

- iii. **Charges and Services** – This section is projected to increase by approximately \$48,000, or 30%. This is based on approximately \$24,000 for seven new 800mhz radios and annual cost. Repairs and maintenance is proposed to increase by approximately \$31,000 in total, which includes purchases of fan and locks for \$10,000 and \$1,000 respectively as well as increased estimates for equipment maintenance. Equipment rental is projected to increase by \$2,000, uniforms by \$2,500, Clean-up Days eliminated per City Council action saving \$10,000, and the remaining line items resulting in a net reduction of approximately \$1,500.
- iv. **Capital Outlay** – This line item is project to increase by \$145,000 for the purchase of a 1-Ton Truck for \$70,000, Vac Trailer for \$45,000, an asphalt roller for \$30,000. This is to be paid from Fund Balance.

**1. Parks and Recreation –**

- i. **Material and Supplies** – This section is proposed to increase by approximately \$2,800, or 25%, which includes \$1,000 for operating supplies, \$1,000 for Repair/Maint. Supplies and a net increase of \$800 across the remaining line items.
- ii. **Charges and Services** – The net impact on this section is a decrease of approximately \$9,000, based on a decrease of \$25,000 for the lakes matching grant, as proposed by the Finance Committee. Also an increase in contract services of \$13,000 this includes turf treatments for \$8,000 and Sunfish Lake Management cost of \$5,000. Repairs and maintenance increased by approximately \$3,000.
- iii. **Capital Outlay** – This line item includes the proposed purchase of a Cushman Utility vehicle for \$25,000, which in accordance with the other capital purchases, will be paid from Fund Balance.

- m. **Compensation Adjustment** - This section decreased by \$35,000, as now all salary and benefit adjustments are being incorporated into the Departmental or cost center budgets.

**General Fund Budget Summary Information:**

- 1) The Proposed 2018 General Fund Budget is \$4,670,734, which is \$719,348 or an approximate 18.20% increase compared to the 2017 Adopted Budget.
- 2) Use of fund balance in the General Fund of \$194,000 is budgeted for the use of capital purchases in the 2018 Proposed Budget.

**2017 Final and Proposed 2018 Final Property Tax Levy, Tax Capacity and Rate Information:**

Attachment #2 includes a detailed breakdown of the City's overall Property Tax Levies for the 2017 Final Levy and Proposed 2018 Final Property Tax Levy. In addition, it outlines the City's Tax Capacity, Tax Levy, subsequent Tax Rates from 2013 - 2017 Final and the Proposed 2018 Final Property Tax Levy. Based on upon the document, here are some key points:

- 1) The 2017 Final Property Tax Levy was \$2,950,426, which was \$161,778 **less**, or a **reduction** of approximately 5.20% compared to the 2016 Final Property Tax Levy.
- 2) The 2018 Preliminary Property Tax Levy was adopted on September 19<sup>th</sup> at \$3,626,406,

which is \$675,980 or approximately 22.91% more than the 2017 Final Property Tax Levy. This increase is attributed to the General Fund increase of \$593,771, Debt Service increases of \$339,166 and a decrease in Library Levy of \$256,957.

- 3) The Proposed 2018 Final Property Tax Levy is \$3,596,601, which is an increase of \$646,175, or approximately 21.90% compared to the 2017 Final Property Tax Levy. The only change from the 2018 Preliminary to Proposed 2018 Final Property Tax Levy is a reduction to the General Fund portion of the levy of \$29,805 related to the health insurance renewal reduction.
- 4) The Proposed 2018 Final Debt Service Levy is \$1,213,788, of which \$341,610 is attributed to the issuance of the 2017A Bonds. Overall, the Debt Service portion accounts for approximately 33.47% of the total levy.
- 5) The Proposed 2018 Property Tax Rate is 22.60%, compared to 20.02% for the 2017 Final Property Tax Rate, which is an increase of approximately 12.89%. This lesser increase compared to the property levy is a result of increased tax capacity within the City spreading the property tax levy over a larger number of properties.
- 6) From 2013 Final to 2018 Proposed, tax capacity has increased from approximately \$11.38 million to \$15.92 million or approximately 39.81%. During that same time, the tax rate has declined from 27.82% to the proposed rate of 22.60%, or a decrease of approximately 18.75%.

The 2018 tax capacity and tax rate will experience minor fluctuations as Washington County refines its Pay 2018 taxing information throughout the year, and will not become final until early 2018 when the property tax statements to go out.

By law, the City Council must approve a 2018 Final Property Tax Levy. This final levy must be sent to Washington County for certification no later than December 28, 2017. In addition, levy and other reporting information must be sent to the Minnesota Department of Revenue and Office of the State Auditor by December 30, 2017 and January 31, 2018, respectively.

### **2018 Property Tax Levy Impact on a Median Value Homesteaded Property City Share of Taxes**

For a median valued home of \$378,300 that experiences a change in valuation of 1.19%, to \$382,800, based on information from Washington County, the **estimated City share of property taxes** for the Proposed 2018 Final Property Tax Levy would be approximately \$859 compared to \$751 for the 2017 Final Property Tax Levy. This is an increase of \$108, or approximately 14.4% for the **estimated City share of property taxes**. This information is contingent upon changes in overall valuation, tax capacity, and the City's 2018 Final Property Tax Levy.

### **Next Steps:**

As the 2018 Budget and Property Tax Levy process nears completion, the following steps remain:

- 1) **December 5 (This evening)** – Public Hearing on the Proposed 2018 Final Property Tax Levy and 2018 General Fund Budget and adoption of the 2018 Final Property Tax Levy and 2018 General Fund Budget.
- 2) **December 19** – Continue Public Hearing if necessary for Proposed 2018 Final Property Tax Levy, 2018 General Fund Budget, adoption of each, and then adopt the 2018 – 2022 Capital Improvement Plan.

**Other:**

As of November 29<sup>th</sup>, there were no formal letters or requests received in Administration or Finance addressing the proposed increase in the City's budget or portion of property taxes to consider.

**FISCAL IMPACT:**

The proposed 2018 General Fund Budget and 2018 Final Property Tax Levy will help support necessary city services to be provided in 2018. In addition, consideration of the impact of the decisions made today will help the City plan for the future with the goal of sound fiscal management.

**RECOMMENDATIONS:**

- 1) Motion to Adopt Resolution No. 2017-135 Adopting 2018 General Fund Budget, and Authorizing the 2018 Final Property Tax Levy.

**ATTACHMENTS:**

- 1) 2018 Proposed General Fund Budget – 12-5-17
- 2) 2017 Final and Proposed 2018 Final Property Tax Levy Allocations – 12-5-17
- 3) 2017 Final and Proposed 2018 Property Tax Levy Impact Worksheet – 12-5-17
- 4) Resolution No. 2017-135 Adopting the 2018 General Fund Budget, and Authorizing the 2018 Final Property Tax Levy.

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>             | <u>Description</u>            | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-----------------------------------|-------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>General Fund Revenues:</b>     |                               |                        |                        |                         |                                |                           |                          |   |
| <b>Taxes</b>                      |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-31010                | Current Ad Valorem Taxes      | \$ 2,206,350           | \$ 2,019,331           | \$ 1,629,875            | \$ 896,685                     | \$ 1,629,875              | \$ 2,202,698             | 35.15%  |
| 101-000-0000-31020                | Delinquent Ad Valorem Taxes   | 22,467                 | 13,546                 | 15,000                  | 12,410                         | 15,000                    | 15,000                   | 0.00%   |
| 101-000-0000-31030                | Mobile Home Tax               | 18,874                 | 14,366                 | 12,000                  | 3,017                          | 12,000                    | 15,000                   | 25.00%  |
| 101-000-0000-31040                | Fiscal Disparities            | 179,607                | 157,096                | 161,272                 | 111,967                        | 161,272                   | 149,615                  | -7.23%  |
| 101-000-0000-31910                | Penalty & Interest on Taxes   | 725                    | 185                    | 700                     | 423                            | 700                       | 500                      | -28.57%   |
| <b>Total Taxes</b>                |                               | <b>\$ 2,428,022</b>    | <b>\$ 2,204,523</b>    | <b>\$ 1,818,847</b>     | <b>\$ 1,024,502</b>            | <b>\$ 1,818,847</b>       | <b>\$ 2,382,813</b>      | <b>31.01%</b>   |
| <b>Licenses and Permits</b>       |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-32110                | Liquor License                | 8,350                  | 7,025                  | 9,000                   | 8,300                          | 8,300                     | 8,300                    | -7.78%  |
| 101-000-0000-32180                | Wastehauler License           | 480                    | 1,560                  | 1,000                   | -                              | 1,000                     | 1,000                    | 0.00%   |
| 101-000-0000-32181                | General Contractor License    | 50                     | 150                    | 150                     | -                              | -                         | -                        | -100.00%  |
| 101-000-0000-32183                | Heating Contractor License    | 3,901                  | 3,450                  | 2,850                   | 800                            | 1,200                     | -                        | -100.00%  |
| 101-000-0000-32210                | Building Permits              | 421,941                | 902,690                | 808,157                 | 866,465                        | 900,000                   | 800,000                  | -1.01%  |
| 101-000-0000-32211                | Driveway Permits              | 250                    | 10,190                 | -                       | 14,045                         | 17,500                    | 17,500                   | #DIV/0!   |
| 101-000-0000-32220                | Heating Permits               | 34,359                 | 128,558                | 44,820                  | 112,435                        | 122,000                   | 60,000                   | 33.87%  |
| 101-000-0000-32230                | Plumbing Permits              | 42,662                 | 92,752                 | 44,820                  | 84,505                         | 90,000                    | 60,000                   | 33.87%  |
| 101-000-0000-32240                | Animal License                | 2,116                  | 1,900                  | 1,720                   | 1,605                          | 2,000                     | 2,000                    | 16.28%  |
| 101-000-0000-32250                | Utility Permits               | 59,033                 | 60,234                 | 33,000                  | 30,196                         | 33,000                    | 33,000                   | 0.00%   |
| 101-000-0000-32260                | Burning Permit                | 1,530                  | 2,035                  | 3,750                   | 1,405                          | 3,750                     | 2,500                    | -33.33%   |
| 101-000-0000-32270                | Massage Therapy Licenses      | 200                    | 75                     | 100                     | -                              | 100                       | 100                      | 0.00%   |
| 101-000-0000-35101                | Fire Sprinkler Alarm Fees     | -                      | -                      | 15,000                  | 10,835                         | 15,000                    | 8,500                    | -43.33%   |
|                                   | Fire Alarm Fees               | -                      | -                      | -                       | -                              | -                         | 1,500                    | #DIV/0!   |
| <b>Total Licenses and Permits</b> |                               | <b>\$ 574,871</b>      | <b>\$ 1,210,619</b>    | <b>\$ 964,367</b>       | <b>\$ 1,130,591</b>            | <b>\$ 1,193,850</b>       | <b>\$ 994,400</b>        | <b>3.11%</b>  |
| <b>Intergovernmental</b>          |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-33418                | MSA - Maintenance             | 119,464                | 123,433                | 130,838                 | 122,883                        | 122,883                   | 135,561                  | 3.61%   |
| 101-000-0000-33420                | State Fire Aid                | 58,166                 | 59,136                 | 47,000                  | -                              | 47,000                    | 47,000                   | 0.00%   |
| 101-000-0000-33422                | PERA Aid                      | 2,749                  | 2,749                  | 2,749                   | 1,375                          | 2,749                     | 2,749                    | 0.00%   |
| 101-000-0000-33426                | Miscellaneous State Grants    | 26,285                 | 8,367                  | 4,820                   | 541                            | 4,820                     | 4,820                    | 0.00%   |
| 101-000-0000-33621                | Recycling Grant               | 15,688                 | 15,688                 | 15,688                  | 15,688                         | 15,688                    | 15,766                   | 0.50%   |
| <b>Total Intergovernmental</b>    |                               | <b>\$ 222,352</b>      | <b>\$ 209,373</b>      | <b>\$ 201,095</b>       | <b>\$ 140,486</b>              | <b>\$ 193,140</b>         | <b>\$ 205,896</b>        | <b>2.39%</b>  |
| <b>Charges for Services</b>       |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-34103                | Zoning & Subdivision Fees     | 29,035                 | 33,490                 | 23,000                  | 44,308                         | 50,000                    | 55,000                   | 139.13%   |
| 101-000-0000-34104                | Plan Check Fees               | 242,970                | 500,965                | 513,002                 | 487,470                        | 509,822                   | 525,000                  | 2.34%   |
| 101-000-0000-34105                | Sale of Copies, Books, Maps   | 116                    | 213                    | 280                     | 9                              | 125                       | 200                      | -28.57%   |
| 101-000-0000-34107                | Assessment Searches           | 3,030                  | 4,905                  | 1,395                   | 885                            | 1,000                     | 1,395                    | 0.00%   |
| 101-000-0000-34110                | Rent                          | -                      | -                      | -                       | 12                             | 12                        | -                        | #DIV/0!   |
| 101-000-0000-34111                | Cable Operation Reimbursement | 71,912                 | 1,600                  | 4,000                   | 1,710                          | 4,000                     | 5,000                    | 25.00%  |
| 101-000-0000-36206                | Escrow Administration Fee     | -                      | 2,800                  | 24,900                  | 22,800                         | 25,000                    | 25,000                   | 0.40%   |
| <b>Total Charges for Services</b> |                               | <b>\$ 347,063</b>      | <b>\$ 543,973</b>      | <b>\$ 566,577</b>       | <b>\$ 557,194</b>              | <b>\$ 589,959</b>         | <b>\$ 611,595</b>        | <b>7.95%</b>  |
| <b>Fines and Forfeits</b>         |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-35100                | Fines                         | 48,739                 | 49,505                 | 46,500                  | 30,557                         | 49,000                    | 49,000                   | 5.38%   |
| <b>Total Fines and Forfeits</b>   |                               | <b>\$ 48,739</b>       | <b>\$ 49,505</b>       | <b>\$ 46,500</b>        | <b>\$ 30,557</b>               | <b>\$ 49,000</b>          | <b>\$ 49,000</b>         | <b>5.38%</b>  |
| <b>Investment Earnings</b>        |                               |                        |                        |                         |                                |                           |                          |   |
| 101-000-0000-36210                | Interest Earnings             | 23,501                 | 20,437                 | 40,000                  | -                              | 25,000                    | 40,000                   | 0.00%   |
| <b>Total Investment Earnings</b>  |                               | <b>\$ 23,501</b>       | <b>\$ 20,437</b>       | <b>\$ 40,000</b>        | <b>\$ -</b>                    | <b>\$ 25,000</b>          | <b>\$ 40,000</b>         | <b>0.00%</b>  |
| <b>Miscellaneous</b>              |                               |                        |                        |                         |                                |                           |                          |   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>               | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|----------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 101-000-0000-33622                  | Cable Franchise Revenue          | -                      | 98,218                 | 72,000                  | 67,178                         | 94,178                    | 68,000                   | -5.56%  |
| 101-000-0000-36200                  | Miscellaneous Revenue            | 2,438                  | 28,205                 | 4,000                   | 28,923                         | 32,900                    | 29,900                   | 647.50%   |
| 101-000-0000-36204                  | Reimbursements - Fire            | -                      | 1,500                  | 500                     | -                              | -                         | -                        | -100.00%  |
| 101-000-0000-36207                  | ISD Service Fee In Lieu of Tax   | -                      | -                      | 31,500                  | -                              | 31,500                    | 32,130                   | 2.00%   |
| 101-000-0000-36230                  | Donations                        | -                      | 10,000                 | 10,000                  | 11,400                         | 11,400                    | 10,000                   | 0.00%   |
| 101-000-0000-37180                  | Tower Rent                       | -                      | -                      | 46,000                  | 42,644                         | 51,000                    | 53,000                   | 15.22%  |
| 101-000-0000-38000                  | Use of Fund Balance              | -                      | -                      | 150,000                 | -                              | 101,361                   | 194,000                  | 29.33%  |
| <b>Total Miscellaneous</b>          |                                  | <b>\$ 2,438</b>        | <b>\$ 137,924</b>      | <b>\$ 314,000</b>       | <b>\$ 150,145</b>              | <b>\$ 322,340</b>         | <b>\$ 387,030</b>        | <b>23.26%</b>   |
| <b>Total General Fund Revenues:</b> |                                  | <b>\$ 3,646,987</b>    | <b>\$ 4,376,355</b>    | <b>\$ 3,951,386</b>     | <b>\$ 3,033,475</b>            | <b>\$ 4,192,136</b>       | <b>\$ 4,670,734</b>      | <b>18.20%</b>   |
| <b>General Fund Expenditures:</b>   |                                  |                        |                        |                         |                                |                           |                          |   |
| <b>1110</b>                         | <b>Mayor &amp; Council</b>       |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1110-41030                  | Part-time Salaries               | 25,690                 | 25,690                 | 25,690                  | 12,845                         | 25,690                    | 25,690                   | 0.00%   |
| 101-410-1110-41220                  | FICA Contributions               | 1,593                  | 1,593                  | 1,593                   | 796                            | 1,593                     | 1,593                    | 0.00%   |
| 101-410-1110-41230                  | Medicare Contributions           | 373                    | 373                    | 373                     | 186                            | 373                       | 373                      | 0.00%   |
| 101-410-1110-41510                  | Workers Compensation             | 9                      | -                      | 300                     | 67                             | 198                       | 198                      | -34.00%   |
| <b>Total Personnel</b>              |                                  | <b>\$ 27,664</b>       | <b>\$ 27,655</b>       | <b>\$ 27,956</b>        | <b>\$ 13,895</b>               | <b>\$ 27,854</b>          | <b>\$ 27,854</b>         | <b>-0.36%</b>   |
| <b>Materials and Supplies</b>       |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1110-42000                  | Office Supplies                  | -                      | 72                     | -                       | 114                            | 120                       | 30                       | #DIV/0!   |
| 101-410-1110-42001                  | Computer Reimbursement           | -                      | -                      | -                       | 1,911                          | 3,000                     | -                        | #DIV/0!   |
| 101-410-1110-43310                  | Mileage                          | 169                    | -                      | 375                     | -                              | 100                       | 300                      | -20.00%   |
| <b>Total Materials and Supplies</b> |                                  | <b>\$ 169</b>          | <b>\$ 72</b>           | <b>\$ 375</b>           | <b>\$ 2,025</b>                | <b>\$ 3,220</b>           | <b>\$ 330</b>            | <b>-12.00%</b>  |
| <b>Charges and Services</b>         |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1110-44300                  | Miscellaneous                    | 8,764                  | 15,691                 | 5,250                   | 6,568                          | 6,750                     | 6,750                    | 28.57%  |
| 101-410-1110-44330                  | Dues & Subscriptions             | 11,519                 | 11,986                 | 11,813                  | 3,622                          | 11,813                    | 12,470                   | 5.56%   |
| 101-410-1110-44370                  | Conferences & Training           | 1,000                  | 520                    | 1,500                   | 180                            | 335                       | 1,000                    | -33.33%   |
| <b>Total Charges and Services</b>   |                                  | <b>\$ 21,283</b>       | <b>\$ 28,197</b>       | <b>\$ 18,563</b>        | <b>\$ 10,370</b>               | <b>\$ 18,898</b>          | <b>\$ 20,220</b>         | <b>8.93%</b>  |
| <b>1110</b>                         | <b>Total Mayor &amp; Council</b> | <b>\$ 49,116</b>       | <b>\$ 55,924</b>       | <b>\$ 46,894</b>        | <b>\$ 26,290</b>               | <b>\$ 49,972</b>          | <b>\$ 48,404</b>         | <b>3.22%</b>  |
| <b>1320</b>                         | <b>Administration</b>            |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1320-41010                  | Full-time Salaries               | 232,992                | 195,150                | 153,083                 | 134,052                        | 180,359                   | 217,946                  | 42.37%  |
| 101-410-1320-41030                  | Part-time Salaries               | -                      | 5,613                  | -                       | 6,005                          | 6,240                     | -                        | #DIV/0!   |
| 101-410-1320-41210                  | PERA Contributions               | 12,638                 | 14,378                 | 11,481                  | 12,592                         | 16,004                    | 16,346                   | 42.37%  |
| 101-410-1320-41220                  | FICA Contributions               | 13,922                 | 11,823                 | 9,491                   | 11,314                         | 12,851                    | 13,146                   | 38.51%  |
| 101-410-1320-41230                  | Medicare Contributions           | 3,273                  | 2,765                  | 2,220                   | 2,656                          | 2,952                     | 3,160                    | 42.34%  |
| 101-410-1320-41300                  | Insurance                        | 44,554                 | 28,335                 | 26,787                  | 26,178                         | 34,902                    | 42,456                   | 58.49%  |
| 101-410-1320-41510                  | Workers Compensation             | 6,717                  | 6,252                  | 6,300                   | 693                            | 1,437                     | 1,678                    | -73.37%   |
| <b>Total Personnel</b>              |                                  | <b>\$ 314,096</b>      | <b>\$ 264,317</b>      | <b>\$ 209,362</b>       | <b>\$ 193,490</b>              | <b>\$ 254,745</b>         | <b>\$ 294,732</b>        | <b>40.78%</b>   |
| <b>Materials and Supplies</b>       |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1320-42000                  | Office Supplies                  | 5,538                  | 5,113                  | 5,500                   | 3,546                          | 5,000                     | 4,500                    | -18.18%   |
| 101-410-1320-42030                  | Printed Forms                    | 1,888                  | 771                    | 700                     | 84                             | 775                       | 785                      | 12.14%  |
| 101-410-1320-43040                  | Legal Services                   | 100,075                | 322,842                | 170,000                 | 91,403                         | 100,000                   | 100,000                  | -41.18%   |
| 101-410-1320-43090                  | Newsletter/Website               | -                      | -                      | 8,000                   | 90                             | 90                        | 100                      | -98.75%   |
| <b>Total Materials and Supplies</b> |                                  | <b>\$ 107,500</b>      | <b>\$ 328,727</b>      | <b>\$ 184,200</b>       | <b>\$ 95,123</b>               | <b>\$ 105,865</b>         | <b>\$ 105,385</b>        | <b>-42.79%</b>  |
| <b>Charges and Services</b>         |                                  |                        |                        |                         |                                |                           |                          |   |
| 101-410-1320-43100                  | Assessing Services               | 46,659                 | 52,049                 | 38,000                  | 29,126                         | 50,318                    | 53,350                   | 40.39%  |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>             | <u>Description</u>          | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-----------------------------------|-----------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 101-410-1320-43150                | Contract Services           | 1,100                  | 1,019                  | -                       | 15,080                         | 16,000                    | 3,000                    | #DIV/0!   |
| 101-410-1320-43180                | Information Technology/Web  | 5,967                  | 470                    | -                       | 609                            | 1,500                     | 4,500                    | #DIV/0!   |
| 101-410-1320-43190                | Software Programs           | -                      | 2,338                  | -                       | 2,601                          | 3,000                     | 3,750                    | #DIV/0!   |
| 101-410-1320-43210                | Telephone                   | 1,388                  | 1,574                  | 1,500                   | 1,135                          | 1,718                     | 1,770                    | 17.97%  |
| 101-410-1320-43220                | Postage                     | 4,541                  | 3,741                  | 3,000                   | (312)                          | 1,000                     | 4,000                    | 33.33%  |
| 101-410-1320-43310                | Mileage                     | 70                     | 418                    | 348                     | 517                            | 750                       | 1,000                    | 187.36%   |
| 101-410-1320-43510                | Legal Publishing            | 6,513                  | 8,003                  | 7,088                   | 2,330                          | 7,500                     | 13,000                   | 83.41%  |
| 101-410-1320-43610                | Insurance                   | 16,386                 | 26,121                 | 28,000                  | 27,630                         | 28,500                    | 29,400                   | 5.00%   |
| 101-410-1320-43620                | Cable Operation Expense     | -                      | -                      | 31,400                  | -                              | 31,400                    | -                        | -100.00%  |
| 101-410-1320-44330                | Dues & Subscriptions        | 1,713                  | 1,877                  | 2,500                   | 1,227                          | 1,800                     | 2,250                    | -10.00%   |
| 101-410-1320-44370                | Conferences & Training      | 2,511                  | 844                    | 2,170                   | 1,346                          | 1,700                     | 2,000                    | -7.83%  |
| <b>Total Charges and Services</b> |                             | <b>\$ 86,848</b>       | <b>\$ 98,454</b>       | <b>\$ 114,006</b>       | <b>\$ 81,289</b>               | <b>\$ 145,186</b>         | <b>\$ 118,020</b>        | <b>3.52%</b>  |
| <b>Miscellaneous</b>              |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1320-44300                | Miscellaneous               | 1,210                  | 538                    | 600                     | 212                            | 600                       | 600                      | 0.00%   |
| <b>Total Miscellaneous</b>        |                             | <b>\$ 1,210</b>        | <b>\$ 538</b>          | <b>\$ 600</b>           | <b>\$ 212</b>                  | <b>\$ 600</b>             | <b>\$ 600</b>            | <b>0.00%</b>  |
| <b>1320</b>                       | <b>Total Administration</b> | <b>\$ 509,653</b>      | <b>\$ 692,035</b>      | <b>\$ 508,168</b>       | <b>\$ 370,114</b>              | <b>\$ 506,396</b>         | <b>\$ 518,737</b>        | <b>2.08%</b>  |
| <b>1410</b>                       | <b>Elections</b>            |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                  |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1410-41030                | Part-time Salaries          | 1,280                  | 7,037                  | -                       | -                              | -                         | 7,500                    | #DIV/0!   |
| 101-410-1410-41510                | Workers Compensation        | -                      | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Personnel</b>            |                             | <b>\$ 1,280</b>        | <b>\$ 7,037</b>        | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ -</b>               | <b>\$ 7,500</b>          | <b>#DIV/0!</b>  |
| <b>Charges and Services</b>       |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1410-43150                | Contract Services           | 600                    | 1,200                  | 1,200                   | 1,660                          | 1,660                     | 1,660                    | 38.33%  |
| <b>Total Charges and Services</b> |                             | <b>\$ 600</b>          | <b>\$ 1,200</b>        | <b>\$ 1,200</b>         | <b>\$ 1,660</b>                | <b>\$ 1,660</b>           | <b>\$ 1,660</b>          | <b>38.33%</b>   |
| <b>Capital Outlay</b>             |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1410-45800                | Other Equipment             | -                      | 20                     | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Capital Outlay</b>       |                             | <b>\$ -</b>            | <b>\$ 20</b>           | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ -</b>               | <b>\$ -</b>              | <b>#DIV/0!</b>  |
| <b>Miscellaneous</b>              |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1410-44300                | Miscellaneous               | -                      | 835                    | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| <b>Total Miscellaneous</b>        |                             | <b>\$ -</b>            | <b>\$ 835</b>          | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ -</b>               | <b>\$ 1,000</b>          | <b>#DIV/0!</b>  |
| <b>1410</b>                       | <b>Total Elections</b>      | <b>\$ 1,880</b>        | <b>\$ 9,092</b>        | <b>\$ 1,200</b>         | <b>\$ 1,660</b>                | <b>\$ 1,660</b>           | <b>\$ 10,160</b>         | <b>746.67%</b>  |
| <b>1450</b>                       | <b>Communications</b>       |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                  |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1450-41010                | Full-time Salaries          | 11,191                 | -                      | -                       | 423                            | 7,953                     | 28,434                   | #DIV/0!   |
| 101-410-1450-41030                | Part-time Salaries          | -                      | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| 101-410-1450-41210                | PERA Contributions          | 664                    | -                      | -                       | 32                             | 596                       | 2,133                    | #DIV/0!   |
| 101-410-1450-41220                | FICA Contributions          | 680                    | -                      | -                       | 26                             | 493                       | 1,763                    | #DIV/0!   |
| 101-410-1450-41230                | Medicare Contributions      | 159                    | -                      | -                       | 6                              | 115                       | 412                      | #DIV/0!   |
| 101-410-1450-41300                | Insurance                   | 3,672                  | -                      | -                       | -                              | 1,907                     | 7,659                    | #DIV/0!   |
| 101-410-1450-41510                | Workers Compensation        | 213                    | -                      | -                       | -                              | 61                        | 219                      | #DIV/0!   |
| <b>Total Personnel</b>            |                             | <b>\$ 16,578</b>       | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ 487</b>                  | <b>\$ 11,125</b>          | <b>\$ 40,620</b>         | <b>#DIV/0!</b>  |
| <b>Charges and Services</b>       |                             |                        |                        |                         |                                |                           |                          |   |
| 101-410-1450-43090                | Newsletter                  | 4,711                  | -                      | -                       | -                              | 2,000                     | 5,000                    | #DIV/0!   |
| 101-410-1450-43180                | Information Technology/Web  | 35,507                 | 50,580                 | 67,396                  | 37,084                         | 38,800                    | 35,500                   | -47.33%   |
| 101-410-1450-43210                | Telephone                   | 876                    | 308                    | -                       | -                              | -                         | -                        | #DIV/0!   |
| 101-410-1450-43220                | Postage                     | 1,208                  | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>           | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 101-410-1450-43310                  | Mileage                      | 57                     | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| 101-410-1450-43510                  | Public Notices               | 1,586                  | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| 101-410-1450-43620                  | Cable Operations             | 3,849                  | 3,955                  | -                       | 4,580                          | 5,000                     | 5,000                    | #DIV/0!   |
| 101-410-1450-44370                  | Conferences and Training     | 360                    | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Charges and Services</b>   |                              | <b>\$ 47,795</b>       | <b>\$ 54,843</b>       | <b>\$ 67,396</b>        | <b>\$ 41,664</b>               | <b>\$ 45,800</b>          | <b>\$ 46,500</b>         | <b>-31.00%</b>  |
| <b>1450</b>                         | <b>Total Communications</b>  | <b>\$ 64,733</b>       | <b>\$ 54,843</b>       | <b>\$ 67,396</b>        | <b>\$ 42,151</b>               | <b>\$ 56,925</b>          | <b>\$ 87,120</b>         | <b>29.27%</b>   |
| <b>1520</b>                         | <b>Finance</b>               |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1520-41010                  | Full-time Salaries           | 60,494                 | 63,053                 | 59,561                  | 47,423                         | 64,231                    | 14,664                   | -75.38%   |
| 101-410-1520-41030                  | Part-time Salaries           | -                      | 12,702                 | 10,000                  | 16,148                         | 16,500                    | 6,760                    | -32.40%   |
| 101-410-1520-41210                  | PERA Contributions           | 4,537                  | 5,281                  | 4,835                   | 1,784                          | 1,438                     | 1,100                    | -77.25%   |
| 101-410-1520-41220                  | FICA Contributions           | 3,545                  | 4,500                  | 3,997                   | 1,702                          | 1,647                     | 1,328                    | -66.78%   |
| 101-410-1520-41230                  | Medicare Contributions       | 829                    | 1,052                  | 935                     | 398                            | 395                       | 311                      | -66.74%   |
| 101-410-1520-41300                  | Insurance                    | 10,010                 | 10,938                 | 11,994                  | 5,758                          | 6,800                     | 3,831                    | -68.06%   |
| 101-410-1520-41420                  | Unemployment Benefits        | -                      | -                      | -                       | -                              | 8,742                     | 5,464                    | #DIV/0!   |
| 101-410-1520-41510                  | Workers Compensation         | 472                    | 204                    | 600                     | 315                            | 315                       | 165                      | -72.50%   |
| <b>Total Personnel</b>              |                              | <b>\$ 79,886</b>       | <b>\$ 97,731</b>       | <b>\$ 91,922</b>        | <b>\$ 73,527</b>               | <b>\$ 100,068</b>         | <b>\$ 33,623</b>         | <b>-63.42%</b>  |
| <b>Materials and Supplies</b>       |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1520-42000                  | Office Supplies              | 818                    | 338                    | 600                     | 446                            | 750                       | 600                      | 0.00%   |
| 101-410-1520-42030                  | Printed Forms                | 137                    | 1,117                  | 375                     | -                              | 300                       | 375                      | 0.00%   |
| <b>Total Materials and Supplies</b> |                              | <b>\$ 955</b>          | <b>\$ 1,456</b>        | <b>\$ 975</b>           | <b>\$ 446</b>                  | <b>\$ 1,050</b>           | <b>\$ 975</b>            | <b>0.00%</b>  |
| <b>Charges and Services</b>         |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1520-43010                  | Audit Services               | 28,270                 | 29,345                 | 29,500                  | 26,575                         | 29,500                    | 30,425                   | 3.14%   |
| 101-410-1520-43150                  | Contract Services            | 7,786                  | 114                    | 101                     | 111,738                        | 139,493                   | 108,150                  | 106979.21%  |
| 101-410-1520-43190                  | Software Programs            | 5,379                  | -                      | -                       | 6,400                          | 6,400                     | 19,433                   | #DIV/0!   |
| 101-410-1520-43210                  | Telephone                    | 408                    | 427                    | 900                     | 690                            | 850                       | 875                      | -2.78%  |
| 101-410-1520-43310                  | Mileage                      | -                      | -                      | 50                      | -                              | 100                       | 250                      | 400.00%   |
| 101-410-1520-44330                  | Dues & Subscriptions         | 420                    | 170                    | 670                     | 170                            | 500                       | 500                      | -25.37%   |
| 101-410-1520-44370                  | Conferences & Training       | -                      | -                      | 500                     | 254                            | 500                       | 750                      | 50.00%  |
| <b>Total Charges and Services</b>   |                              | <b>\$ 42,263</b>       | <b>\$ 30,056</b>       | <b>\$ 31,721</b>        | <b>\$ 145,827</b>              | <b>\$ 177,343</b>         | <b>\$ 160,383</b>        | <b>405.61%</b>  |
| <b>Miscellaneous</b>                |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1520-44300                  | Miscellaneous                | 1,632                  | 1,627                  | 220                     | 1,052                          | 1,400                     | 1,625                    | 638.64%   |
| <b>Total Miscellaneous</b>          |                              | <b>\$ 1,632</b>        | <b>\$ 1,627</b>        | <b>\$ 220</b>           | <b>\$ 1,052</b>                | <b>\$ 1,400</b>           | <b>\$ 1,625</b>          | <b>638.64%</b>  |
| <b>1520</b>                         | <b>Total Finance</b>         | <b>\$ 124,737</b>      | <b>\$ 130,869</b>      | <b>\$ 124,838</b>       | <b>\$ 220,852</b>              | <b>\$ 279,861</b>         | <b>\$ 196,606</b>        | <b>57.49%</b>   |
| <b>1910</b>                         | <b>Planning &amp; Zoning</b> |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1910-41010                  | Full-time Salaries           | 135,788                | 149,034                | 145,407                 | 125,119                        | 145,619                   | 146,468                  | 0.73%   |
| 101-410-1910-41030                  | Part-time Salaries           | -                      | -                      | -                       | -                              | 6,240                     | 6,760                    | #DIV/0!   |
| 101-410-1910-41210                  | PERA Contributions           | 9,546                  | 11,211                 | 10,906                  | 9,353                          | 10,921                    | 10,985                   | 0.72%   |
| 101-410-1910-41220                  | FICA Contributions           | 7,919                  | 9,075                  | 9,015                   | 7,367                          | 9,415                     | 9,500                    | 5.38%   |
| 101-410-1910-41230                  | Medicare Contributions       | 1,852                  | 2,122                  | 2,109                   | 1,723                          | 2,202                     | 2,222                    | 5.36%   |
| 101-410-1910-41300                  | Insurance                    | 29,145                 | 23,249                 | 25,772                  | 22,969                         | 30,625                    | 26,803                   | 4.00%   |
| 101-410-1910-41510                  | Workers Compensation         | 938                    | 415                    | 750                     | 658                            | 1,181                     | 1,192                    | 58.93%  |
| <b>Total Personnel</b>              |                              | <b>\$ 185,188</b>      | <b>\$ 195,105</b>      | <b>\$ 193,959</b>       | <b>\$ 167,189</b>              | <b>\$ 206,203</b>         | <b>\$ 203,930</b>        | <b>5.14%</b>  |
| <b>Materials and Supplies</b>       |                              |                        |                        |                         |                                |                           |                          |   |
| 101-410-1910-42000                  | Office Supplies              | 1,661                  | 810                    | 1,800                   | 186                            | 350                       | 800                      | -55.56%   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>                 | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|------------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 101-410-1910-42030                  | Printed Forms                      | 958                    | -                      | 500                     | -                              | 750                       | -                        | -100.00%  |
| <b>Total Materials and Supplies</b> |                                    | <b>\$ 2,619</b>        | <b>\$ 810</b>          | <b>\$ 2,300</b>         | <b>\$ 186</b>                  | <b>\$ 1,100</b>           | <b>\$ 800</b>            | <b>-65.22%</b>  |
| <b>Charges and Services</b>         |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1910-43020                  | Comprehensive Planning             | -                      | -                      | -                       | 26,530                         | 54,000                    | 36,000                   | #DIV/0!   |
| 101-410-1910-43030                  | Engineering Services               | 16,328                 | 18,688                 | 12,000                  | 6,541                          | 13,000                    | 15,000                   | 25.00%  |
| 101-410-1910-43150                  | Contract Services                  | 25,467                 | 25,133                 | 113,500                 | 5,826                          | 10,000                    | 10,000                   | -91.19%   |
| 101-410-1910-43190                  | Software Programs                  | -                      | -                      | -                       | 407                            | 500                       | 100                      | #DIV/0!   |
| 101-410-1910-43210                  | Telephone                          | 761                    | 775                    | 1,020                   | 546                            | 1,000                     | 1,100                    | 7.84%   |
| 101-410-1910-43220                  | Postage                            | 35                     | 6                      | 150                     | 59                             | -                         | 25                       | -83.33%   |
| 101-410-1910-43310                  | Mileage                            | 95                     | 342                    | 150                     | 103                            | 300                       | 300                      | 100.00%   |
| 101-410-1910-43510                  | Legal Publishing                   | -                      | -                      | -                       | 840                            | 1,000                     | 500                      | #DIV/0!   |
| 101-410-1910-44330                  | Dues & Subscriptions               | 120                    | 617                    | 390                     | -                              | 1,000                     | 1,115                    | 185.90%   |
| 101-410-1910-44350                  | Books                              | -                      | -                      | 175                     | -                              | -                         | -                        | -100.00%  |
| 101-410-1910-44370                  | Conferences & Training             | 555                    | 1,520                  | 1,560                   | 375                            | 1,500                     | 2,500                    | 60.26%  |
| <b>Total Charges and Services</b>   |                                    | <b>\$ 43,361</b>       | <b>\$ 47,081</b>       | <b>\$ 128,945</b>       | <b>\$ 41,227</b>               | <b>\$ 82,300</b>          | <b>\$ 66,640</b>         | <b>-48.32%</b>  |
| <b>Miscellaneous</b>                |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1910-44300                  | Miscellaneous                      | 31                     | 31                     | 300                     | 10                             | 200                       | 200                      | -33.33%   |
| <b>Total Miscellaneous</b>          |                                    | <b>\$ 31</b>           | <b>\$ 31</b>           | <b>\$ 300</b>           | <b>\$ 10</b>                   | <b>\$ 200</b>             | <b>\$ 200</b>            | <b>-33.33%</b>  |
| <b>1910</b>                         | <b>Total Planning &amp; Zoning</b> | <b>\$ 231,199</b>      | <b>\$ 243,027</b>      | <b>\$ 325,504</b>       | <b>\$ 208,612</b>              | <b>\$ 289,803</b>         | <b>\$ 271,570</b>        | <b>-16.57%</b>  |
| <b>1930 Engineering Services</b>    |                                    |                        |                        |                         |                                |                           |                          |   |
| <b>Charges and Services</b>         |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1930-43030                  | Engineering Services               | 32,942                 | 34,034                 | 36,000                  | 18,097                         | 34,500                    | 36,000                   | 0.00%   |
| 101-410-1930-43210                  | Telephone                          | 204                    | 195                    | -                       | 107                            | 200                       | 216                      | #DIV/0!   |
| <b>Total Charges and Services</b>   |                                    | <b>\$ 33,146</b>       | <b>\$ 34,229</b>       | <b>\$ 36,000</b>        | <b>\$ 18,204</b>               | <b>\$ 34,700</b>          | <b>\$ 36,216</b>         | <b>0.60%</b>  |
| <b>1930</b>                         | <b>Total Engineering Services</b>  | <b>\$ 33,146</b>       | <b>\$ 34,229</b>       | <b>\$ 36,000</b>        | <b>\$ 18,204</b>               | <b>\$ 34,700</b>          | <b>\$ 36,216</b>         | <b>0.60%</b>  |
| <b>1940 City Hall</b>               |                                    |                        |                        |                         |                                |                           |                          |   |
| <b>Materials and Supplies</b>       |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1940-42110                  | Cleaning Supplies                  | -                      | -                      | 50                      | -                              | -                         | -                        | -100.00%  |
| 101-410-1940-42230                  | Building Repair Supplies           | 478                    | 4                      | 300                     | 550                            | 750                       | 800                      | 166.67%   |
| <b>Total Materials and Supplies</b> |                                    | <b>\$ 478</b>          | <b>\$ 4</b>            | <b>\$ 350</b>           | <b>\$ 550</b>                  | <b>\$ 750</b>             | <b>\$ 800</b>            | <b>128.57%</b>  |
| <b>Charges and Services</b>         |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1940-43180                  | Information Technology/Web         | -                      | -                      | -                       | 185                            | 370                       | 389                      | #DIV/0!   |
| 101-410-1940-43210                  | Telephone                          | 772                    | 614                    | 900                     | 438                            | 900                       | 900                      | 0.00%   |
| 101-410-1940-43810                  | Utilities                          | 6,968                  | 3,851                  | 6,500                   | 2,583                          | 6,500                     | 6,500                    | 0.00%   |
| 101-410-1940-43840                  | Refuse                             | 1,490                  | 1,129                  | 1,355                   | 1,074                          | 1,500                     | 1,325                    | -2.21%  |
| 101-410-1940-44010                  | Repairs/Maint Contractual Bldg     | 9,139                  | 21,350                 | 6,000                   | 6,683                          | 7,000                     | 6,000                    | 0.00%   |
| 101-410-1940-44040                  | Repairs/Maint Contractual Eqpt     | 10,820                 | 11,365                 | 15,540                  | 8,978                          | 14,000                    | 18,000                   | 15.83%  |
| 101-410-1940-44120                  | Rentals - Building                 | 29,532                 | 30,147                 | 31,992                  | 26,660                         | 31,992                    | 33,223                   | 3.85%   |
| <b>Total Charges and Services</b>   |                                    | <b>\$ 58,721</b>       | <b>\$ 68,457</b>       | <b>\$ 62,287</b>        | <b>\$ 46,601</b>               | <b>\$ 62,262</b>          | <b>\$ 66,337</b>         | <b>6.50%</b>  |
| <b>Miscellaneous</b>                |                                    |                        |                        |                         |                                |                           |                          |   |
| 101-410-1940-44300                  | Miscellaneous                      | 1,802                  | 1,981                  | 1,016                   | 501                            | 1,016                     | 1,016                    | 0.00%   |
| <b>Total Miscellaneous</b>          |                                    | <b>\$ 1,802</b>        | <b>\$ 1,981</b>        | <b>\$ 1,016</b>         | <b>\$ 501</b>                  | <b>\$ 1,016</b>           | <b>\$ 1,016</b>          | <b>0.00%</b>  |
| <b>1940</b>                         | <b>Total City Hall</b>             | <b>\$ 61,000</b>       | <b>\$ 70,442</b>       | <b>\$ 63,653</b>        | <b>\$ 47,652</b>               | <b>\$ 64,028</b>          | <b>\$ 68,153</b>         | <b>7.07%</b>  |
| <b>2100 Police</b>                  |                                    |                        |                        |                         |                                |                           |                          |   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>       | <u>2015 Actual</u> | <u>2016 Actual</u> | <u>2017 Adopted</u> | <u>2017 YTD - Sept. 30</u> | <u>2017 Projected</u> | <u>2018 Proposed</u> | <u>Adopted 2017 to Proposed 2018 Percent Change</u> |
|-------------------------------------|--------------------------|--------------------|--------------------|---------------------|----------------------------|-----------------------|----------------------|---|
| <b>Charges and Services</b>         |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2100-43150                  | Law Enforcement Contract | 527,462            | 536,330            | 618,357             | 290,876                    | 618,357               | 664,675              | 7.49%   |
| 101-420-2100-44300                  | Misc. - Community Event  | -                  | -                  | 1,000               | 1,800                      | 1,800                 | 1,000                | 0.00%   |
| <b>Total Charges and Services</b>   |                          | <b>\$ 527,462</b>  | <b>\$ 536,330</b>  | <b>\$ 619,357</b>   | <b>\$ 292,676</b>          | <b>\$ 620,157</b>     | <b>\$ 665,675</b>    | <b>7.48%</b>  |
| <b>2100</b>                         | <b>Total Police</b>      | <b>\$ 527,462</b>  | <b>\$ 536,330</b>  | <b>\$ 619,357</b>   | <b>\$ 292,676</b>          | <b>\$ 620,157</b>     | <b>\$ 665,675</b>    | <b>7.48%</b>  |
| <b>2150 Prosecution</b>             |                          |                    |                    |                     |                            |                       |                      |   |
| <b>Charges and Services</b>         |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2150-43045                  | Attorney Criminal        | 55,710             | 44,144             | 43,200              | 25,169                     | 43,200                | 44,996               | 4.16%   |
| <b>Total Charges and Services</b>   |                          | <b>\$ 55,710</b>   | <b>\$ 44,144</b>   | <b>\$ 43,200</b>    | <b>\$ 25,169</b>           | <b>\$ 43,200</b>      | <b>\$ 44,996</b>     | <b>4.16%</b>  |
| <b>2150</b>                         | <b>Total Prosecution</b> | <b>\$ 55,710</b>   | <b>\$ 44,144</b>   | <b>\$ 43,200</b>    | <b>\$ 25,169</b>           | <b>\$ 43,200</b>      | <b>\$ 44,996</b>     | <b>4.16%</b>  |
| <b>2220 Fire</b>                    |                          |                    |                    |                     |                            |                       |                      |   |
| <b>Personnel</b>                    |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2220-41010                  | Full-time Salaries       | 70,680             | 71,918             | 72,970              | 59,802                     | 82,597                | 85,515               | 17.19%  |
| 101-420-2220-41030                  | Part-time Salaries       | 105,487            | 96,663             | 97,724              | 67,638                     | 129,502               | 228,179              | 133.49%   |
| 101-420-2220-41210                  | PERA Contributions       | 14,829             | 14,699             | 11,821              | 12,463                     | 23,020                | 39,180               | 231.44%   |
| 101-420-2220-41220                  | FICA Contributions       | 5,681              | 6,038              | 6,059               | 4,194                      | 4,340                 | 4,340                | -28.37%   |
| 101-420-2220-41230                  | Medicare Contributions   | 2,532              | 2,364              | 2,475               | 1,780                      | 2,400                 | 1,015                | -58.99%   |
| 101-420-2220-41300                  | Insurance                | 14,275             | 13,673             | 14,993              | 12,336                     | 16,448                | 17,093               | 14.01%  |
| 101-420-2220-41510                  | Workers Compensation     | 20,966             | 12,879             | 15,000              | 16,687                     | 17,219                | 26,481               | 76.54%  |
| <b>Total Personnel</b>              |                          | <b>\$ 234,449</b>  | <b>\$ 218,234</b>  | <b>\$ 221,042</b>   | <b>\$ 174,900</b>          | <b>\$ 275,526</b>     | <b>\$ 401,803</b>    | <b>81.78%</b>                                       |
| <b>Materials and Supplies</b>       |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2220-42000                  | Office Supplies          | 1,373              | 1,444              | 1,850               | 1,298                      | 1,500                 | 500                  | -72.97%   |
| 101-420-2220-42080                  | EMS Supplies             | 453                | 888                | 5,800               | 3,819                      | 5,800                 | 1,200                | -79.31%   |
| 101-420-2220-42090                  | Fire Prevention          | 142                | 722                | 3,000               | -                          | 3,000                 | 3,000                | 0.00%   |
| 101-420-2220-42120                  | Fuel, Oil and Fluids     | 10,015             | 7,644              | 11,000              | 4,748                      | 7,500                 | 8,000                | -27.27%   |
| 101-420-2220-42400                  | Small Tools & Equipment  | 20,734             | 10,539             | 11,700              | 5,942                      | 11,700                | 22,675               | 93.80%  |
| <b>Total Materials and Supplies</b> |                          | <b>\$ 32,717</b>   | <b>\$ 21,237</b>   | <b>\$ 33,350</b>    | <b>\$ 15,807</b>           | <b>\$ 29,500</b>      | <b>\$ 35,375</b>     | <b>6.07%</b>  |
| <b>Charges and Services</b>         |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2220-43050                  | Physicals                | 5,199              | 4,221              | 2,400               | 3,180                      | 4,300                 | 8,075                | 236.46%   |
| 101-420-2220-43210                  | Telephone                | 4,316              | 3,682              | 4,200               | 2,868                      | 4,200                 | 4,200                | 0.00%   |
| 101-420-2220-43230                  | Radio                    | 20,446             | 18,917             | 22,018              | 12,625                     | 22,018                | 21,616               | -1.83%  |
| 101-420-2220-43310                  | Mileage                  | 578                | 814                | 500                 | -                          | 500                   | 500                  | 0.00%   |
| 101-420-2220-43630                  | Insurance                | 5,469              | 7,290              | 8,300               | 7,571                      | 8,300                 | 8,549                | 3.00%   |
| 101-420-2220-43810                  | Utility                  | 14,161             | 9,520              | 15,500              | 9,996                      | 15,500                | 15,500               | 0.00%   |
| 101-420-2220-43840                  | Refuse                   | 3,455              | 2,948              | 2,400               | 2,531                      | 3,200                 | 3,200                | 33.33%  |
| 101-420-2220-44010                  | Repairs/Maint Bldg       | 5,960              | 17,938             | 7,800               | 7,519                      | 7,800                 | 7,000                | -10.26%   |
| 101-420-2220-44040                  | Repairs/Maint Eqpt       | 25,224             | 41,975             | 22,967              | 35,543                     | 37,000                | 25,896               | 12.75%  |
| 101-420-2220-44170                  | Uniforms                 | 1,862              | 5,255              | 2,500               | 3,750                      | 4,000                 | 9,821                | 292.84%   |
| 101-420-2220-44330                  | Dues & Subscriptions     | 3,303              | 3,275              | 3,733               | 2,955                      | 3,500                 | 3,955                | 5.95%   |
| 101-420-2220-44350                  | Books                    | -                  | 230                | 220                 | 180                        | 280                   | 440                  | 100.00%   |
| 101-420-2220-44370                  | Conferences & Training   | 8,775              | 17,663             | 19,891              | 10,504                     | 16,000                | 22,514               | 13.19%  |
| <b>Total Charges and Services</b>   |                          | <b>\$ 98,750</b>   | <b>\$ 133,727</b>  | <b>\$ 112,429</b>   | <b>\$ 99,223</b>           | <b>\$ 126,598</b>     | <b>\$ 131,266</b>    | <b>16.75%</b>                                       |
| <b>Capital Outlay</b>               |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2220-45500                  | Vehicle                  | -                  | -                  | -                   | 64                         | 64                    | -                    | #DIV/0!   |
| <b>Total Capital Outlay</b>         |                          | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ 64</b>               | <b>\$ 64</b>          | <b>\$ -</b>          | <b>#DIV/0!</b>                                      |
| <b>Miscellaneous</b>                |                          |                    |                    |                     |                            |                       |                      |   |
| 101-420-2220-44300                  | Miscellaneous            | 2,721              | 2,290              | 2,000               | 1,125                      | 2,000                 | 2,000                | 0.00%   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>               | <u>2015 Actual</u> | <u>2016 Actual</u> | <u>2017 Adopted</u> | <u>2017 YTD - Sept. 30</u> | <u>2017 Projected</u> | <u>2018 Proposed</u> | <u>Adopted 2017 to Proposed 2018 Percent Change</u> |
|-------------------------------------|----------------------------------|--------------------|--------------------|---------------------|----------------------------|-----------------------|----------------------|---|
| <b>Total Miscellaneous</b>          |                                  | \$ 2,721           | \$ 2,290           | \$ 2,000            | \$ 1,125                   | \$ 2,000              | \$ 2,000             | 0.00%   |
| <b>2220</b>                         | <b>Total Fire</b>                | \$ 368,637         | \$ 375,488         | \$ 368,821          | \$ 291,118                 | \$ 433,688            | \$ 570,444           | 54.67%  |
| <b>2250</b>                         | <b>Fire Relief</b>               |                    |                    |                     |                            |                       |                      |   |
| <b>Charges and Services</b>         |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2250-44920                  | Fire State Aid                   | 58,166             | 59,136             | 47,000              | -                          | 47,000                | 47,000               | 0.00%   |
| <b>Total Charges and Services</b>   |                                  | \$ 58,166          | \$ 59,136          | \$ 47,000           | \$ -                       | \$ 47,000             | \$ 47,000            | 0.00%   |
| <b>2250</b>                         | <b>Total Fire Relief</b>         | \$ 58,166          | \$ 59,136          | \$ 47,000           | \$ -                       | \$ 47,000             | \$ 47,000            | 0.00%   |
| <b>2400</b>                         | <b>Building Inspection</b>       |                    |                    |                     |                            |                       |                      |   |
| <b>Personnel</b>                    |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2400-41010                  | Full-time Salaries               | 99,174             | 167,498            | 232,801             | 199,023                    | 265,364               | 272,754              | 17.16%  |
| 101-420-2400-41210                  | PERA Contributions               | 7,250              | 12,102             | 15,132              | 14,927                     | 19,902                | 20,457               | 35.19%  |
| 101-420-2400-41220                  | FICA Contributions               | 5,834              | 10,062             | 14,434              | 12,340                     | 16,453                | 16,911               | 17.16%  |
| 101-420-2400-41230                  | Medicare Contributions           | 1,365              | 2,353              | 3,376               | 2,886                      | 3,848                 | 3,955                | 17.15%  |
| 101-420-2400-41300                  | Insurance                        | 18,264             | 24,554             | 42,432              | 40,555                     | 54,074                | 53,002               | 24.91%  |
| 101-420-2400-41510                  | Workers Compensation             | 2,828              | 1,260              | 4,800               | 794                        | 2,091                 | 2,149                | -55.23%   |
| <b>Total Personnel</b>              |                                  | \$ 134,714         | \$ 217,830         | \$ 312,975          | \$ 270,525                 | \$ 361,732            | \$ 369,228           | 17.97%  |
| <b>Materials and Supplies</b>       |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2400-42000                  | Office Supplies                  | 690                | 1,602              | 1,750               | 1,641                      | 1,750                 | 1,750                | 0.00%   |
| 101-420-2400-42030                  | Printed Forms                    | 154                | -                  | 350                 | -                          | 350                   | 350                  | 0.00%   |
| 101-420-2400-42120                  | Fuel, Oil and Fluids             | 1,014              | 521                | 3,600               | 2,086                      | 3,000                 | 3,600                | 0.00%   |
| <b>Total Materials and Supplies</b> |                                  | \$ 1,858           | \$ 2,122           | \$ 5,700            | \$ 3,727                   | \$ 5,100              | \$ 5,700             | 0.00%   |
| <b>Charges and Services</b>         |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2400-43030                  | Engineering                      | 6,289              | 2,465              | 6,000               | 248                        | 1,500                 | 1,000                | -83.33%   |
| 101-420-2400-43180                  | Information Technology/Web       | 3,875              | 6,010              | -                   | 5,674                      | 8,500                 | 7,405                | #DIV/0!   |
| 101-420-2400-43210                  | Telephone                        | 758                | 1,912              | 1,800               | 1,911                      | 2,100                 | 2,500                | 38.89%  |
| 101-420-2400-43630                  | Insurance                        | 136                | 178                | 400                 | 185                        | 400                   | 400                  | 0.00%   |
| 101-420-2400-44040                  | Repairs/Maint Eqpt               | 1,253              | 965                | 1,000               | 786                        | 1,000                 | 1,000                | 0.00%   |
| 101-420-2400-44170                  | Uniforms                         | 241                | 80                 | 1,200               | 684                        | 1,200                 | 1,200                | 0.00%   |
| 101-420-2400-44330                  | Dues & Subscriptions             | 385                | 185                | 740                 | 310                        | 740                   | 740                  | 0.00%   |
| 101-420-2400-44350                  | Books                            | 1,692              | 870                | 500                 | 345                        | 500                   | 500                  | 0.00%   |
| 101-420-2400-44370                  | Conferences & Training           | 1,095              | 2,596              | 4,825               | 870                        | 3,500                 | 4,825                | 0.00%   |
| <b>Total Charges and Services</b>   |                                  | \$ 15,726          | \$ 15,261          | \$ 16,465           | \$ 11,013                  | \$ 19,440             | \$ 19,570            | 18.86%  |
| <b>Capital Outlay</b>               |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2400-45500                  | Vehicle                          | -                  | -                  | -                   | -                          | -                     | 24,000               | #DIV/0!   |
| <b>Total Capital Outlay</b>         |                                  | \$ -               | \$ -               | \$ -                | \$ -                       | \$ -                  | \$ 24,000            | #DIV/0!   |
| <b>Miscellaneous</b>                |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2400-44300                  | Miscellaneous                    | 1,564              | 266                | 845                 | 3,793                      | 3,900                 | 1,000                | 18.34%  |
| <b>Total Miscellaneous</b>          |                                  | \$ 1,564           | \$ 266             | \$ 845              | \$ 3,793                   | \$ 3,900              | \$ 1,000             | 18.34%  |
| <b>2400</b>                         | <b>Total Building Inspection</b> | \$ 153,862         | \$ 235,479         | \$ 335,985          | \$ 289,057                 | \$ 390,172            | \$ 419,498           | 24.86%  |
| <b>2500</b>                         | <b>Emergency Communications</b>  |                    |                    |                     |                            |                       |                      |   |
| <b>Charges and Services</b>         |                                  |                    |                    |                     |                            |                       |                      |   |
| 101-420-2500-43150                  | Contract Services                | 3,745              | 4,945              | 5,395               | 900                        | 5,395                 | 1,780                | -67.01%   |
| <b>Total Charges and Services</b>   |                                  | \$ 3,745           | \$ 4,945           | \$ 5,395            | \$ 900                     | \$ 5,395              | \$ 1,780             | -67.01%   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>                           | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|--|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>2500</b>                         | <b>Total Emergency Communications</b>        | <b>\$ 3,745</b>        | <b>\$ 4,945</b>        | <b>\$ 5,395</b>         | <b>\$ 900</b>                  | <b>\$ 5,395</b>           | <b>\$ 1,780</b>          | <b>-67.01%</b>  |
| <b>2700</b>                         | <b>Animal Control</b>                        |                        |                        |                         |                                |                           |                          |   |
| <b>Charges and Services</b>         |  |                        |                        |                         |                                |                           |                          |   |
| 101-420-2700-43150                  | Contract Services                            | 5,725                  | 3,086                  | 7,725                   | 6,112                          | 7,725                     | 7,725                    | 0.00%   |
| <b>Total Charges and Services</b>   |  | <b>\$ 5,725</b>        | <b>\$ 3,086</b>        | <b>\$ 7,725</b>         | <b>\$ 6,112</b>                | <b>\$ 7,725</b>           | <b>\$ 7,725</b>          | <b>0.00%</b>  |
| <b>2700</b>                         | <b>Total Animal Control</b>                  | <b>\$ 5,725</b>        | <b>\$ 3,086</b>        | <b>\$ 7,725</b>         | <b>\$ 6,112</b>                | <b>\$ 7,725</b>           | <b>\$ 7,725</b>          | <b>0.00%</b>  |
| <b>3100</b>                         | <b>Public Works</b>                          |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |  |                        |                        |                         |                                |                           |                          |   |
| 101-430-3100-41010                  | Full-time Salaries                           | 134,875                | 253,303                | 238,857                 | 218,227                        | 299,044                   | 325,079                  | 36.10%  |
| 101-430-3100-41030                  | Part-time Salaries                           | 2,429                  | -                      | 9,680                   | 3,395                          | 7,200                     | 9,360                    | -3.31%  |
|                                     | Safety Clothing Allowance                    | -                      | -                      | -                       | -                              | 971                       | 971                      | #DIV/0!   |
| 101-430-3100-41210                  | PERA Contributions                           | 10,351                 | 18,494                 | 18,640                  | 16,232                         | 22,303                    | 24,081                   | 29.19%  |
| 101-430-3100-41220                  | FICA Contributions                           | 8,081                  | 15,066                 | 13,312                  | 13,381                         | 18,987                    | 20,735                   | 55.76%  |
| 101-430-3100-41230                  | Medicare Contributions                       | 1,890                  | 3,524                  | 3,604                   | 3,130                          | 4,441                     | 4,849                    | 34.34%  |
| 101-430-3100-41300                  | Insurance                                    | 36,238                 | 44,655                 | 42,141                  | 47,064                         | 62,752                    | 62,796                   | 49.01%  |
| 101-430-3100-41510                  | Workers Compensation                         | 19,017                 | 12,028                 | 14,000                  | 14,990                         | 18,455                    | 19,749                   | 41.06%  |
| <b>Total Personnel</b>              |  | <b>\$ 212,880</b>      | <b>\$ 347,071</b>      | <b>\$ 340,234</b>       | <b>\$ 316,419</b>              | <b>\$ 434,153</b>         | <b>\$ 467,620</b>        | <b>37.44%</b>   |
| <b>Materials and Supplies</b>       |  |                        |                        |                         |                                |                           |                          |   |
| 101-430-3100-42000                  | Office Supplies                              | 350                    | 1,666                  | 2,000                   | 598                            | 2,000                     | 800                      | -60.00%   |
| 101-430-3100-42120                  | Fuel, Oil and Fluids                         | 26,146                 | 24,049                 | 30,000                  | 20,296                         | 27,000                    | 28,500                   | -5.00%  |
| 101-430-3100-42150                  | Operating Supplies                           | 2,151                  | 2,431                  | 3,000                   | 2,017                          | 2,800                     | 2,000                    | -33.33%   |
| 101-430-3100-42210                  | Repair/Maint. Supplies                       | 6,308                  | 3,964                  | 10,350                  | 6,980                          | 9,000                     | 12,750                   | 23.19%  |
| 101-430-3100-42240                  | Street Maintenance & Landscaping - Materials | 20,203                 | 16,112                 | 445,000                 | -                              | 20,000                    | 20,000                   | -95.51%   |
| 101-430-3100-42250                  | Street Maintenance                           | 185,950                | 258,223                | -                       | 219,004                        | 425,000                   | 425,000                  | #DIV/0!   |
| 101-430-3120-42260                  | Street Signs                                 | 378                    | 2,389                  | 3,000                   | 3,404                          | 3,500                     | 5,000                    | 66.67%  |
| 101-430-3125-42290                  | Sand/Salt                                    | 73,780                 | 49,616                 | 65,000                  | 74,202                         | 74,202                    | 75,000                   | 15.38%  |
| 101-430-3100-42400                  | Small Tools & Minor Equipment                | 5,634                  | 2,788                  | 3,000                   | 3,633                          | 3,800                     | 8,000                    | 166.67%   |
| 101-430-3100-44375                  | Personal Protection Equipment                | -                      | 1,465                  | 2,400                   | 1,498                          | 2,000                     | 2,800                    | 16.67%  |
| <b>Total Materials and Supplies</b> |  | <b>\$ 320,900</b>      | <b>\$ 362,703</b>      | <b>\$ 563,750</b>       | <b>\$ 331,632</b>              | <b>\$ 569,302</b>         | <b>\$ 579,850</b>        | <b>2.86%</b>  |
| <b>Charges and Services</b>         |  |                        |                        |                         |                                |                           |                          |   |
| 101-430-3100-43030                  | Engineering Services                         | 10,384                 | 4,676                  | 4,800                   | 1,886                          | 2,500                     | 4,800                    | 0.00%   |
| 101-430-3100-43150                  | Contract Services                            | 20,098                 | 24,156                 | 24,350                  | 16,584                         | 22,000                    | 24,500                   | 0.62%   |
| 101-430-3100-43210                  | Telephone                                    | 7,344                  | 7,347                  | 7,800                   | 4,942                          | 6,800                     | 7,800                    | 0.00%   |
| 101-430-3100-43230                  | Radio  | 1,236                  | 1,236                  | 1,300                   | 600                            | 1,300                     | 24,000                   | 1746.15%  |
| 101-430-3100-43630                  | Insurance                                    | 11,914                 | 15,105                 | 17,000                  | 15,688                         | 17,000                    | 19,000                   | 11.76%  |
| 101-430-3100-43810                  | Utilities                                    | 46,717                 | 34,935                 | 54,400                  | 38,367                         | 54,400                    | 52,000                   | -4.41%  |
| 101-430-3100-43840                  | Refuse                                       | 2,811                  | 2,407                  | 2,625                   | 1,395                          | 2,800                     | 3,000                    | 14.29%  |
| 101-430-3100-44010                  | Repairs/Maint Bldg.                          | 5,604                  | 10,996                 | 4,000                   | 8,143                          | 10,000                    | 21,000                   | 425.00%   |
| 101-430-3100-44030                  | Repairs/Maint Imp Other Than Bldg.           | 590                    | 165                    | 500                     | 1,203                          | 1,500                     | 1,500                    | 200.00%   |
| 101-430-3100-44040                  | Repairs/Maint Equip                          | 27,514                 | 25,364                 | 20,900                  | 9,369                          | 26,000                    | 34,000                   | 62.68%  |
| 101-430-3100-44130                  | Equipment Rental                             | -                      | -                      | -                       | -                              | -                         | 2,000                    | #DIV/0!   |
| 101-430-3100-44170                  | Uniforms                                     | 3,095                  | 5,886                  | 5,000                   | 4,925                          | 6,500                     | 7,500                    | 50.00%  |
| 101-430-3100-44330                  | Dues & Subscriptions                         | 275                    | 294                    | 600                     | 498                            | 750                       | 600                      | 0.00%   |
| 101-430-3100-44370                  | Conferences & Training                       | 3,187                  | 3,889                  | 4,800                   | 2,092                          | 4,000                     | 4,800                    | 0.00%   |
| 101-430-3100-44380                  | Clean-up Days                                | 5,564                  | 9,557                  | 10,212                  | 14,256                         | 14,256                    | -                        | -100.00%  |
| <b>Total Charges and Services</b>   |  | <b>\$ 146,332</b>      | <b>\$ 146,012</b>      | <b>\$ 158,287</b>       | <b>\$ 119,948</b>              | <b>\$ 169,806</b>         | <b>\$ 206,500</b>        | <b>30.46%</b>   |
| <b>Capital Outlay</b>               |  |                        |                        |                         |                                |                           |                          |   |
| 101-430-3100-45500                  | Capital Purchases                            | -                      | -                      | -                       | -                              | -                         | 145,000                  | #DIV/0!   |
| <b>Total Capital Outlay</b>         |  | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ -</b>               | <b>\$ 145,000</b>        | <b>#DIV/0!</b>  |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGET**  
 General Fund - December 5, 2017

| <u>Account Number</u>               | <u>Description</u>                  | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|-------------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>Miscellaneous</b>                |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-430-3100-44300                  | Miscellaneous                       | 2,534                  | 762                    | 1,450                   | 631                            | 1,200                     | 1,800                    | 24.14%  |
| <b>Total Miscellaneous</b>          |                                     | <b>\$ 2,534</b>        | <b>\$ 762</b>          | <b>\$ 1,450</b>         | <b>\$ 631</b>                  | <b>\$ 1,200</b>           | <b>\$ 1,800</b>          | <b>24.14%</b>   |
| <b>3100</b>                         | <b>Total Public Works</b>           | <b>\$ 682,647</b>      | <b>\$ 856,548</b>      | <b>\$ 1,063,721</b>     | <b>\$ 768,630</b>              | <b>\$ 1,174,461</b>       | <b>\$ 1,400,770</b>      | <b>31.69%</b>   |
| <b>5200 Parks &amp; Recreation</b>  |                                     |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-450-5200-41010                  | Full-time Salaries                  | 129,189                | 70,421                 | 77,429                  | 43,048                         | 63,533                    | 99,036                   | 27.91%  |
| 101-450-5200-41030                  | Part-time Salaries                  | 21,629                 | 30,934                 | 48,000                  | 20,969                         | 25,000                    | 28,080                   | -41.50%   |
|                                     | Safety Clothing Allowance           | -                      | -                      | -                       | -                              | 236                       | 236                      | #DIV/0!   |
| 101-450-5200-41210                  | PERA Contributions                  | 9,666                  | 5,798                  | 6,162                   | 3,351                          | 4,571                     | 7,428                    | 20.55%  |
| 101-450-5200-41220                  | FICA Contributions                  | 8,964                  | 6,027                  | 7,777                   | 3,835                          | 6,794                     | 7,857                    | 1.03%   |
| 101-450-5200-41230                  | Medicare Contributions              | 2,096                  | 1,410                  | 1,819                   | 897                            | 1,595                     | 1,843                    | 1.32%   |
| 101-450-5200-41300                  | Insurance                           | 18,135                 | 18,232                 | 19,992                  | 16,197                         | 21,596                    | 18,481                   | -7.56%  |
| 101-450-5200-41510                  | Workers Compensation                | 5,391                  | 3,735                  | 4,000                   | 3,956                          | 5,018                     | 7,419                    | 85.48%  |
| <b>Total Personnel</b>              |                                     | <b>\$ 195,071</b>      | <b>\$ 136,556</b>      | <b>\$ 165,179</b>       | <b>\$ 92,253</b>               | <b>\$ 128,343</b>         | <b>\$ 170,380</b>        | <b>3.15%</b>  |
| <b>Materials and Supplies</b>       |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-450-5200-42000                  | Office Supplies                     | 172                    | 60                     | 900                     | 304                            | 800                       | 800                      | -11.11%   |
| 101-450-5200-42150                  | Operating Supplies                  | 1,575                  | 1,338                  | -                       | 140                            | 1,000                     | 1,000                    | #DIV/0!   |
| 101-450-5200-42160                  | Chemicals                           | 679                    | 1,057                  | 1,500                   | 576                            | 800                       | 2,000                    | 33.33%  |
| 101-450-5200-42210                  | Repair/Maint. Supplies              | 4,156                  | 4,505                  | 6,000                   | 3,654                          | 6,000                     | 7,000                    | 16.67%  |
| 101-450-5200-42230                  | Building Repair Supplies            | 140                    | 619                    | 500                     | 100                            | 500                       | 500                      | 0.00%   |
| 101-450-5200-42400                  | Small Tools & Minor Equipment       | 2,753                  | 2,365                  | 2,150                   | 2,415                          | 2,500                     | 2,500                    | 16.28%  |
| <b>Total Materials and Supplies</b> |                                     | <b>\$ 9,475</b>        | <b>\$ 9,944</b>        | <b>\$ 11,050</b>        | <b>\$ 7,188</b>                | <b>\$ 11,600</b>          | <b>\$ 13,800</b>         | <b>24.89%</b>   |
| <b>Charges and Services</b>         |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-450-5200-43210                  | Telephone                           | 1,283                  | 1,358                  | 1,200                   | 720                            | 1,000                     | 1,200                    | 0.00%   |
| 101-450-5200-43630                  | Insurance                           | 2,301                  | 3,079                  | 3,800                   | 3,198                          | 4,500                     | 5,000                    | 31.58%  |
| 101-450-5200-43810                  | Utilities                           | 8,935                  | 6,446                  | 9,600                   | 6,338                          | 9,000                     | 10,500                   | 9.38%   |
| 101-450-5200-43840                  | Refuse                              | -                      | 20                     | 1,000                   | 1,106                          | 1,200                     | 1,000                    | 0.00%   |
| 101-450-5200-44010                  | Repairs/Maint Bldg                  | 1,294                  | 63                     | 1,800                   | 130                            | 750                       | 2,800                    | 55.56%  |
| 101-450-5200-44030                  | Repairs/Maint Imp Not Bldgs         | 3,114                  | 2,959                  | 3,000                   | 6,281                          | 8,000                     | 3,200                    | 6.67%   |
| 101-450-5200-44040                  | Repairs/Maint Eqpt                  | 804                    | 2,235                  | 1,500                   | 184                            | 1,000                     | 3,200                    | 113.33%   |
| 101-450-5200-44120                  | Rentals - Buildings                 | 7,232                  | 6,476                  | 6,000                   | 4,384                          | 5,900                     | 7,000                    | 16.67%  |
| 101-450-5200-44170                  | Uniforms                            | 136                    | 67                     | -                       | 58                             | 100                       | 100                      | #DIV/0!   |
| 101-450-5200-44301                  | Events                              | -                      | -                      | 5,000                   | 450                            | 2,500                     | 500                      | -90.00%   |
| 101-450-5200-44302                  | Lakes                               | -                      | -                      | 40,000                  | 4,578                          | 10,000                    | 15,000                   | -62.50%   |
| 101-450-5200-43150                  | Contract Services                   | -                      | -                      | -                       | 600                            | 1,000                     | 13,000                   | #DIV/0!   |
| 101-450-5200-44370                  | Conferences & Training              | -                      | -                      | -                       | -                              | -                         | 1,200                    | #DIV/0!   |
| 101-450-5200-44130                  | Equipment Rental                    | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| 101-450-5200-44375                  | Personal Protection Equipment       | -                      | 341                    | 1,200                   | 1,209                          | 1,300                     | 800                      | -33.33%   |
| <b>Total Charges and Services</b>   |                                     | <b>\$ 25,099</b>       | <b>\$ 23,044</b>       | <b>\$ 74,100</b>        | <b>\$ 29,236</b>               | <b>\$ 46,250</b>          | <b>\$ 65,500</b>         | <b>-11.61%</b>  |
| <b>Capital Outlay</b>               |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-5200-5200-45500                 | Capital Purchases                   | -                      | -                      | -                       | -                              | -                         | 25,000                   | #DIV/0!   |
| <b>Total Capital Outlay</b>         |                                     | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ -</b>               | <b>\$ 25,000</b>         | <b>#DIV/0!</b>  |
| <b>Miscellaneous</b>                |                                     |                        |                        |                         |                                |                           |                          |   |
| 101-450-5200-44300                  | Miscellaneous                       | 889                    | 521                    | 1,200                   | 266                            | 800                       | 1,200                    | 0.00%   |
| <b>Total Miscellaneous</b>          |                                     | <b>\$ 889</b>          | <b>\$ 521</b>          | <b>\$ 1,200</b>         | <b>\$ 266</b>                  | <b>\$ 800</b>             | <b>\$ 1,200</b>          | <b>0.00%</b>  |
| <b>5200</b>                         | <b>Total Parks &amp; Recreation</b> | <b>\$ 230,533</b>      | <b>\$ 170,065</b>      | <b>\$ 251,529</b>       | <b>\$ 128,943</b>              | <b>\$ 186,993</b>         | <b>\$ 275,880</b>        | <b>9.68%</b>  |

CITY OF LAKE ELMO  
2018 PROPOSED BUDGET  
General Fund - December 5, 2017

| <u>Account Number</u>                                  | <u>Description</u>                   | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|--|--------------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>9000</b>  | <b>Compensation Adjustment</b>       |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                                       |                                      |                        |                        |                         |                                |                           |                          |   |
| 101-460-9000-41010                                     | Compensation Adjustment              | -                      | -                      | 35,000                  | -                              | -                         | -                        | -100.00%  |
| <b>Total Personnel</b>                                 |                                      | \$ -                   | \$ -                   | \$ 35,000               | \$ -                           | \$ -                      | \$ -                     | -100.00%  |
| <b>9000</b>  | <b>Total Compensation Adjustment</b> | \$ -                   | \$ -                   | \$ 35,000               | \$ -                           | \$ -                      | \$ -                     | -100.00%  |
| <b>Total General Fund Expenditures:</b>                |                                      | \$ 3,161,952           | \$ 3,575,683           | \$ 3,951,386            | \$ 2,738,139                   | \$ 4,192,136              | \$ 4,670,734             | 18.20%  |
| <b>Total Gen Fund Revs. Over/(Under) Expenditures:</b> |                                      | \$ 485,035             | \$ 800,672             | \$ -                    | \$ 295,336                     | \$ (0)                    | \$ (0)                   | #DIV/0!   |

**CITY OF LAKE ELMO  
2017 FINAL AND 2018 PROPOSED PROPERTY TAX LEVY  
AS OF DECEMBER 5, 2017**

**INFORMATION SUBJECT TO CHANGE UNTIL FINAL NUMBERS RELEASED BY COUNTY IN 2018.**

|  | <b>2017<br/>Final Levy</b> | <b>2018<br/>Proposed Levy</b> | <b>\$ Change<br/>2017 to 2018</b> | <b>% Change<br/>2017 to 2018</b> |
|--|----------------------------|-------------------------------|-----------------------------------|----------------------------------|
| <b>TAX CAPACITY BASED TAX LEVY</b>             |                            |                               |                                   |                                  |
| General Fund                                   | \$ 1,818,847               | \$ 2,382,813                  | \$ 563,966                        | 31.01%                           |
| Library  | 256,957                    | -                             | (256,957)                         | -100.00%                         |
| G.O. Imp. Bonds - Series 2009B                 | 52,959                     | 50,911                        | (2,048)                           | -3.87%                           |
| G.O. Imp. Bonds - Series 2010A                 | 57,683                     | 61,206                        | 3,523                             | 6.11%                            |
| G.O. Cap. Imp. Xover Ref. Bonds - Series 2010B | 202,605                    | 204,519                       | 1,914                             | 0.94%                            |
| G.O. Imp. Bonds - Series 2011A                 | 74,368                     | 73,254                        | (1,114)                           | -1.50%                           |
| G.O. Imp. Bonds - Series 2012B                 | 62,656                     | 61,141                        | (1,515)                           | -2.42%                           |
| G.O. Imp. Bonds - Series 2014A                 | 207,218                    | 203,045                       | (4,173)                           | -2.01%                           |
| G.O. Imp. Bonds - Series 2015A                 | 17,756                     | 28,683                        | 10,927                            | 61.54%                           |
| G.O. Imp. Bonds - Series 2016A                 | 199,377                    | 189,419                       | (9,958)                           | -4.99%                           |
| G.O. Imp. Bonds - Series 2017A                 | -                          | 341,610                       | 341,610                           | #DIV/0!                          |
|  | -                          | -                             | -                                 | #DIV/0!                          |
| <b>TAX CAPACITY BASED TAX LEVIES</b>           | <b>\$ 2,950,426</b>        | <b>\$ 3,596,601</b>           | <b>\$ 646,175</b>                 | <b>21.9011%</b>                  |
| Tax Capacity                                   | \$14,739,232               | \$15,916,139                  |                                   | 7.98%                            |
| <b>Estimated Tax Capacity Rate</b>             | <b>20.018%</b>             | <b>22.597%</b>                |                                   | <b>12.89%</b>                    |

**CITY TAX CAPACITY, PROPERTY TAX LEVIES AND TAX RATES BY YEAR**

| <b><u>YEAR</u></b> | <b><u>TAX CAPACITY</u></b> | <b><u>TAX LEVY</u></b> | <b><u>TAX RATE</u></b> |
|--------------------|----------------------------|------------------------|------------------------|
| 2013               | \$ 11,384,320              | \$ 3,163,359           | 27.818%                |
| 2014               | 11,393,889                 | 3,163,359              | 27.761%                |
| 2015               | 13,072,105                 | 3,137,663              | 23.798%                |
| 2016               | 13,441,204                 | 3,112,204              | 23.121%                |
| 2017               | 14,739,232                 | 2,950,426              | 20.018%                |
| 2018 Proposed      | 15,916,139                 | 3,596,601              | 22.597%                |

**CITY OF LAKE ELMO**  
**RESIDENTIAL ESTIMATED CITY SHARE OF PROPERTY TAXES**  
**2018 PROPOSED PROPERTY TAX LEVY**  
**21.90% INCREASE**  
**As of 12-5-17**

\* These are estimated figures at particular price points.  
Homes at the price points will not experience these exact changes.

| Assessed Market Val. |                      | Taxable<br>Market<br>Value 2017 | Taxable<br>Market<br>Value 2018 | Estimated City Tax |          | Dollar<br>Change | Percent<br>Change |
|----------------------|----------------------|---------------------------------|---------------------------------|--------------------|----------|------------------|-------------------|
| 2016 For<br>Pay 2017 | 2017 For<br>Pay 2018 |                                 |                                 | 2017               | 2018     |                  |                   |
| 148,200              | 150,000              | 124,298                         | 126,260                         | 248.81             | 285.31   | 36.50            | 14.7%             |
| 247,000              | 250,000              | 231,990                         | 235,260                         | 464.39             | 531.62   | 67.24            | 14.5%             |
| 378,300              | 382,800              | 375,107                         | 380,012                         | 750.87             | 858.72   | 107.85           | 14.4%             |
| 420,000              | 425,000              | 420,000                         | 425,000                         | 840.74             | 960.38   | 119.65           | 14.2%             |
| 494,100              | 500,000              | 494,100                         | 500,000                         | 989.06             | 1,129.86 | 140.80           | 14.2%             |
| 592,900              | 600,000              | 592,900                         | 600,000                         | 1,233.33           | 1,412.32 | 179.00           | 14.5%             |
| 691,700              | 700,000              | 691,700                         | 700,000                         | 1,480.54           | 1,694.79 | 214.25           | 14.5%             |
| 790,500              | 800,000              | 790,500                         | 800,000                         | 1,727.76           | 1,977.25 | 249.49           | 14.4%             |
| 900,000              | 917,836              | 900,000                         | 917,836                         | 2,001.75           | 2,310.10 | 308.35           | 15.4%             |

**Assumptions:**

2017 and 2018 tax capacity rate based on Washington County information.  
Tax capacity rates increase from 1% to 1.25% for values over \$500,000.

 = Median Value Home in Lake Elmo

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-135**

**RESOLUTION ADOPTING 2018 GENERAL FUND BUDGET,  
AND  
AUTHORIZING 2018 FINAL PROPERTY TAX LEVY**

**WHEREAS**, The City of Lake Elmo is required by State law to approve a resolution setting forth an annual property tax levy to the Washington County Auditor; and

**WHEREAS**, Minnesota Statutes currently in force require approval of a property tax levy and a budget in December of each year; and

**WHEREAS**, the City Council has received the budget document;

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Lake Elmo, that the 2018 General Fund Budget shall be as follows:

|  | <b>2018<br/>Adopted</b> |
|--|-------------------------|
| <b>General Fund Revenues:</b>          |                         |
| Property Taxes                         | \$2,382,813             |
| Licenses and Permit                    | 994,400                 |
| Intergovernmental                      | 205,896                 |
| Charges for Services                   | 611,595                 |
| Fines and Forfeits                     | 49,000                  |
| Interest on Investments                | 40,000                  |
| Miscellaneous                          | 387,030                 |
| <b>Total General Fund Revenues</b>     | <b>\$4,670,734</b>      |
| <br>                                   |                         |
| <b>General Fund Expenditures:</b>      |                         |
| Personnel                              | \$2,017,290             |
| Materials and Supplies                 | 743,015                 |
| Charges and Services                   | 1,705,988               |
| Capital Outlay                         | 194,000                 |
| Miscellaneous                          | 10,441                  |
| <b>Total General Fund Expenditures</b> | <b>\$4,670,734</b>      |

**BE IT FURTHER RESOLVED** that the Public Hearing was held on Tuesday December 5, 2017 at 7:00 p.m.; and

**BE IT FURTHER RESOLVED** that the City Council of the City of Lake Elmo, Washington County, Minnesota, that the following sums of money be levied in 2017, for collection in 2018 upon the taxable property in said City of Lake Elmo for the following purposes:

| <b>TAX CAPACITY BASED TAX LEVY</b>             | <b>2018<br/>FINAL<br/>LEVY</b>               |
|--|--|
| General Fund                                   | \$2,382,813                                  |
| G.O. Imp. Bonds - Series 2009B                 | 50,911                                       |
| G.O. Imp. Bonds - Series 2010A                 | 61,206                                       |
| G.O. Cap. Imp. Xover Ref. Bonds - Series 2010B | 204,519                                      |
| G.O. Imp. Bonds - Series 2011A                 | 73,254                                       |
| G.O. Imp. Bonds - Series 2012B                 | 61,141                                       |
| G.O. Imp. Bonds - Series 2014A                 | 203,045                                      |
| G.O. Imp. Bonds - Series 2015A                 | 28,683                                       |
| G.O. Imp. Bonds - Series 2016A                 | 189,419                                      |
| G.O. Imp. Bonds - Series 2017A                 | 341,610                                      |
| <b>TOTAL LEVY:</b>                             | <b><u>341,610</u><br/><u>\$3,596,601</u></b> |

And

**BE IT FURTHER RESOLVED** that the Finance Director is hereby authorized and directed to transmit this information to the County Auditor of Washington County, Minnesota and the Minnesota Department of Revenue, if applicable, in the format requested as required by law.

ADOPTED, by the Lake Elmo City Council on the 5th day of December, 2017.

---

Mike Pearson  
Mayor

ATTEST:

---

Julie Johnson  
City Clerk



## STAFF REPORT

DATE: December 5, 2017

**REGULAR**

ITEM #16

**TO:** Honorable Mayor and City Council  
**FROM:** Brian A. Swanson – Finance Director  
**AGENDA ITEM:** 2018 Utility Budgets – Resolution 2017-136  
**REVIEWED BY:** Kristina Handt – City Administrator

---

### **BACKGROUND:**

The Finance Committee has been working on developing the Proposed 2018 Water, Sewer, and Storm Water Fund (utility) budgets for the last few months. Council reviewed them briefly during a joint meeting in August. The Finance Committee finalized their recommendations for the utility budgets at their October meeting and recommended consideration and approval by the City Council. The City Council reviewed the Proposed 2018 Utility Budgets and Rates on November 14<sup>th</sup> at the workshop and directed staff to bring each of them back for consideration and approval.

### **Process for this evening:**

- 1) Information presented pertains to the Proposed 2018 Water, Sewer and Storm Water Fund Budgets.
- 2) Based on upon the results of the information provided and discussion, the City Council can consider the resolution adopting the 2018 Water, Sewer and Storm Water Fund Budgets attached to this report.
- 3) The detailed fee schedule will be part of the 2018 Fee Schedule agenda item for the City Council to consider for adoption, which includes an ordinance and resolution.

### **ISSUES BEFORE THE CITY COUNCIL:**

- 1) Does the City Council have any questions about the Proposed 2018 Utility Fund Budgets?
- 2) Does the City Council desire to approve the Proposed 2018 Water, Sewer and Storm Water Budgets?

### **DISCUSSION:**

Attachment #1 includes the detailed Proposed 2018 Water, Sewer and Storm Water Budgets.

### **Revenues:**

The revenues for the funds are from the Utility Financial Management Plan presented by Northland Securities at the October 3<sup>rd</sup> regular City Council meeting. These assumptions are based upon the increased rates recommended in the report as well. In summary, here are the proposed rate increases:

- 1) **Water Fund** – Proposed three percent (3%) rate increase across the base and variable rates compared from the 2017 Adopted to 2018 Proposed. Water Availability Charge (WAC) and the Water Connection Charge would remain the same.
- 2) **Sewer Fund** – Proposed one percent (1%) rate increase for the commercial usage, residential usage, and residential base fee, compared from the 2017 Adopted to 2018 Proposed. Sewer Availability Charge (SAC) and the Sewer Connection Charge would remain the same.
- 3) **Storm Water Fund** – Service fee would increase by five dollars (\$5.00) from the 2017 Adopted to 2018 Proposed.

### **Expenses:**

#### **Water Fund:**

- Water Meter and Supplies: includes the purchase of 250 meters to continue the meter change out program to address old and failing meters at a cost of approximately \$47,000.
- Small Tools & Equipment: includes \$3,000 for a generator for water tower #3.
- Legal Services: increase of \$150,000 due to reassignment of 3M litigation costs.
- Contract Services: contract for updating wellhead protection program as required by the state and contract for Finance Director services totaling a \$33,400 increase.
- Software Support: increase of approximately \$27,500 for new finance software upgrades approved by Council as well as ongoing IT costs.
- Water Utility: expect to be off Oakdale water by January so no costs proposed for this line item.
- Capital Outlay: utility vehicle replacement and water main oversizing costs totaling \$137,500.
- Depreciation: removed since Capital Improvement Plan costs account for it.
- Bond Principal and Interest: increase of approximately \$737,000 for debt service.

#### **Sewer Fund:**

- Small Tools & Equipment: reduced from last draft to remove all but necessary equipment for confined space maintenance tasks.
- Contract Services: increase of approximately \$16,000 for Finance Director contract.
- Software Support: increase of approximately \$28,000 for new finance software upgrades approved by Council as well as ongoing IT costs.
- Sewer Utility-Met Council: this is the cities operations charge. Increase of approximately \$48,000 is due to increase in customer volume.
- Capital Outlay: utility vehicle replacement (1/2 in water) and sewer main oversizing costs totaling \$85,000.
- Depreciation: removed since Capital Improvement Plan costs account for it.
- Bond Principal and Interest: increase of approximately \$343,000 for debt service.

#### **Storm Water Expenses:**

- Repair/Maintenance Supplies and Small Tools: increased by \$3,500.
- Contract Services: Finance Director contract increase of approximately \$7,000.
- Software Support: increase of approximately \$7,000 for new finance software upgrades approved by Council as well as ongoing IT costs.
- Street Sweeping: 2<sup>nd</sup> street sweeping added at a cost of \$5,000.
- Capital Outlay: surface water plan required with Comp Plan update of approximately \$20,000.
- Depreciation: removed since Capital Improvement Plan costs account for it.
- Bond Principal and Interest: increase of approximately \$156,000 for debt service.

**FISCAL IMPACT:**

The 2018 Proposed Utility Budgets will help support necessary city services to be provided in 2018. In addition, consideration of the impact of the decisions made today will help the City plan for the future with the goal of sound fiscal management.

**RECOMMENDATION:**

- 1) Motion to Adopt Resolution No. 2017-136 Adopting the 2018 Water, Sewer and Storm Water Fund Budgets.

**ATTACHMENTS:**

- 1) 2018 Proposed Utility Fund Budgets – 12-5-17
- 2) Resolution No. 2017-136 Adopting the 2018 Water, Sewer and Storm Water Fund Budgets

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGETS**  
**Utility Funds - December 5, 2017**

| <u>Account Number</u>               | <u>Description</u>            | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-------------------------------------|-------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>601</b>                          | <b>Water Fund</b>             |                        |                        |                         |                                |                           |                          |   |
| <b>Water Fund Revenues:</b>         |                               |                        |                        |                         |                                |                           |                          |   |
| 601-000-0000-33422                  | PERA Pension Revenue          | -                      | 525                    | -                       | -                              | -                         | -                        | #DIV/0!   |
| 601-000-0000-33426                  | Miscellaneous State Grants    | -                      | 3,433,298              | -                       | -                              | -                         | -                        | #DIV/0!   |
| 601-000-0000-36100                  | Special Assessments           | -                      | 11,334                 | 16,950                  | 9,320                          | 16,950                    | 111,077                  | 555.32%   |
| 601-000-0000-36205                  | Refunds and Reimbursements    | -                      | -                      | -                       | 62                             | 75                        | -                        | #DIV/0!   |
| 601-000-0000-36210                  | Interest on Investments       | 26,985                 | 13,987                 | 20,000                  | -                              | 20,000                    | 20,000                   | 0.00%   |
| 601-000-0000-37100                  | Water Sales                   | 440,322                | 275,019                | 543,689                 | 360,314                        | 489,139                   | 597,769                  | 9.95%   |
| 601-000-0000-37120                  | Bulk Water                    | 1,241                  | 5,423                  | 2,000                   | 448                            | 2,000                     | 2,000                    | 0.00%   |
| 601-000-0000-37140                  | Water Access Revenue          | 66,000                 | 979,500                | 1,509,000               | 1,231,400                      | 1,509,000                 | 960,000                  | -36.38%   |
| 601-000-0000-37150                  | Water Connections - Municipal | 1,237,500              | 244,500                | 369,000                 | 338,147                        | 369,000                   | 320,000                  | -13.28%   |
| 601-000-0000-37170                  | Meter Sales                   | 55,435                 | 244,260                | 68,000                  | 90,867                         | 100,000                   | 87,500                   | 28.68%  |
| 601-000-0000-37180                  | Tower Rent                    | 49,742                 | 52,526                 | -                       | -                              | -                         | -                        | #DIV/0!   |
| 601-000-0000-39210                  | Transfer In                   | -                      | (59,872)               | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Water Fund Revenues:</b>   |                               | <b>\$ 1,877,225</b>    | <b>\$ 5,200,500</b>    | <b>\$ 2,528,639</b>     | <b>\$ 2,030,558</b>            | <b>\$ 2,506,164</b>       | <b>\$ 2,098,346</b>      | <b>-17.02%</b>  |
| <b>Water Fund Expenses:</b>         |                               |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                    |                               |                        |                        |                         |                                |                           |                          |   |
| 601-494-9400-41010                  | Full-time Salaries            | 92,578                 | 127,902                | 144,184                 | 88,793                         | 117,335                   | 105,194                  | -27.04%   |
|                                     | Safety Clothing Allowance     | -                      | -                      | -                       | -                              | 193                       | 193                      | #DIV/0!   |
| 601-494-9400-41210                  | PERA Contributions            | 8,615                  | 15,792                 | 10,814                  | 6,652                          | 8,800                     | 7,590                    | -29.81%   |
| 601-494-9400-41220                  | FICA Contributions            | 5,498                  | 7,346                  | 9,012                   | 5,322                          | 7,275                     | 6,497                    | -27.91%   |
| 601-494-9400-41230                  | Medicare Contributions        | 1,286                  | 1,718                  | 2,091                   | 1,245                          | 1,701                     | 1,525                    | -27.07%   |
| 601-494-9400-41300                  | Insurance                     | 18,199                 | 29,467                 | 28,837                  | 14,429                         | 19,894                    | 21,743                   | -24.60%   |
| 601-494-9400-41301                  | Unemployment Insurance        | -                      | -                      | -                       | -                              | 1,093                     | 683                      | #DIV/0!   |
| 601-494-9400-41510                  | Workers Compensation          | 2,472                  | 1,904                  | 5,767                   | 3,980                          | 5,526                     | 5,884                    | 2.03%   |
| <b>Total Personnel</b>              |                               | <b>\$ 128,647</b>      | <b>\$ 184,130</b>      | <b>\$ 200,705</b>       | <b>\$ 120,421</b>              | <b>\$ 161,817</b>         | <b>\$ 149,309</b>        | <b>-25.61%</b>  |
| <b>Materials and Supplies</b>       |                               |                        |                        |                         |                                |                           |                          |   |
| 601-494-9400-42000                  | Office Supplies               | 1,933                  | 771                    | 700                     | 579                            | 700                       | 800                      | 14.29%  |
| 601-494-9400-42030                  | Printed Forms                 | 239                    | 499                    | 750                     | 247                            | 550                       | 750                      | 0.00%   |
| 601-494-9400-42150                  | Operating Supplies            | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| 601-494-9400-42160                  | Chemicals                     | 1,473                  | 3,157                  | 13,000                  | 3,587                          | 10,000                    | 13,000                   | 0.00%   |
| 601-494-9400-42210                  | Repair/Maint. Supplies        | 25,257                 | 25,014                 | 25,000                  | 2,080                          | 20,000                    | 26,000                   | 4.00%   |
| 601-494-9400-42300                  | Water Meters & Supplies       | 82,343                 | 105,477                | 85,000                  | 117,435                        | 125,000                   | 132,000                  | 55.29%  |
| 601-494-9400-44375                  | Personal Protective Equipment | -                      | -                      | -                       | -                              | -                         | 800                      | #DIV/0!   |
| 601-494-9400-42400                  | Small Tools & Minor Equipment | 5,016                  | 3,955                  | 5,000                   | 1,908                          | 3,500                     | 8,300                    | 66.00%  |
| <b>Total Materials and Supplies</b> |                               | <b>\$ 116,263</b>      | <b>\$ 138,874</b>      | <b>\$ 129,450</b>       | <b>\$ 125,836</b>              | <b>\$ 159,750</b>         | <b>\$ 182,650</b>        | <b>41.10%</b>   |
| <b>Charges and Services</b>         |                               |                        |                        |                         |                                |                           |                          |   |
| 601-494-9400-43030                  | Engineering Services          | 14,725                 | -                      | 20,000                  | 14,909                         | 20,000                    | 20,000                   | 0.00%   |
| 601-494-9400-43040                  | Legal Services                | 388                    | 2,323                  | 5,000                   | 93,738                         | 125,000                   | 155,000                  | 3000.00%  |
| 601-494-9400-43150                  | Contract Services             | 16,305                 | 7,459                  | 14,000                  | 20,622                         | 40,000                    | 47,400                   | 238.57%   |
| 601-494-9400-43180                  | Software Support              | 4,774                  | 5,556                  | 9,600                   | 10,088                         | 16,479                    | 37,133                   | 286.81%   |
| 601-494-9400-43210                  | Telephone                     | 775                    | 793                    | 800                     | 504                            | 800                       | 800                      | 0.00%   |
| 601-494-9400-43220                  | Postage                       | 2,500                  | 1,800                  | 1,880                   | (1,322)                        | 750                       | 2,000                    | 6.38%   |
| 601-494-9400-43310                  | Mileage                       | -                      | 189                    | -                       | -                              | -                         | -                        | #DIV/0!   |
| 601-494-9400-43610                  | Insurance                     | 6,799                  | 8,975                  | 10,000                  | 9,322                          | 10,000                    | 12,000                   | 20.00%  |
| 601-494-9400-43810                  | Electric Utility              | 33,410                 | 34,392                 | 30,000                  | 35,523                         | 45,000                    | 45,000                   | 50.00%  |
| 601-494-9400-43820                  | Water Utility                 | 107,029                | 144,932                | -                       | 177,093                        | 210,000                   | -                        | #DIV/0!   |
| 601-494-9400-44030                  | Repairs\Maint Imp Not Bldgs   | 7,116                  | 8,617                  | 10,000                  | 4,735                          | 8,000                     | 20,000                   | 100.00%   |
|                                     | Repairs\Maint. Equip.         | -                      | -                      | -                       | -                              | -                         | 8,000                    | #DIV/0!   |
|                                     | Repairs\Maint Imp Bldgs       | -                      | -                      | -                       | -                              | -                         | 2,000                    | #DIV/0!   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGETS**  
**Utility Funds - December 5, 2017**

| <u>Account Number</u>                                | <u>Description</u>                | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|--|-----------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 601-494-9400-44370                                   | Equipment Rental                  | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
|  | Conferences & Training            | 460                    | 103                    | 1,500                   | 1,118                          | 1,500                     | 2,000                    | 33.33%  |
| <b>Total Charges and Services</b>                    |                                   | <b>\$ 194,281</b>      | <b>\$ 215,140</b>      | <b>\$ 102,780</b>       | <b>\$ 366,330</b>              | <b>\$ 477,529</b>         | <b>\$ 352,333</b>        | <b>242.80%</b>  |
| <b>Capital Outlay</b>                                |                                   |                        |                        |                         |                                |                           |                          |   |
| 601-494-9400-45300                                   | Improvements Other Than Bldgs     | 42                     | -                      | -                       | 22,430                         | 22,430                    | 137,500                  | #DIV/0!   |
| <b>Total Capital Outlay</b>                          |                                   | <b>\$ 42</b>           | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ 22,430</b>               | <b>\$ 22,430</b>          | <b>\$ 137,500</b>        | <b>#DIV/0!</b>  |
| <b>Miscellaneous and Non-operating</b>               |                                   |                        |                        |                         |                                |                           |                          |   |
| 601-494-9400-43320                                   | Depreciation Expense              | 557,626                | 612,353                | 598,971                 | -                              | -                         | -                        | -100.00%  |
| 601-494-9400-44300                                   | Miscellaneous                     | 188                    | 3,178                  | 2,000                   | 2,423                          | 2,600                     | 2,000                    | 0.00%   |
| 601-494-9400-46010                                   | Bond Principal                    | 0                      | -                      | -                       | 279,663                        | 485,000                   | 710,000                  | #DIV/0!   |
| 601-494-9400-46110                                   | Bond Interest                     | 351,742                | 241,142                | 273,321                 | 235,319                        | 273,321                   | 300,775                  | 10.04%  |
| 601-494-9400-46200                                   | Fiscal Agent Fees - Bond Payments | 1,189                  | 16,014                 | 800                     | 180                            | 800                       | 856                      | 7.00%   |
| 601-494-9400-46250                                   | Fiscal Agent Fees - Bond Issuance | (11,720)               | -                      | 53,811                  | -                              | -                         | -                        | -100.00%  |
| 601-494-9400-47200                                   | Transfer Out                      | -                      | 40,427                 | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Misc. and Non-operating</b>                 |                                   | <b>\$ 899,025</b>      | <b>\$ 913,113</b>      | <b>\$ 928,903</b>       | <b>\$ 517,584</b>              | <b>\$ 761,721</b>         | <b>\$ 1,013,631</b>      | <b>9.12%</b>  |
| <b>Total Water Fund Expenses:</b>                    |                                   | <b>\$ 1,338,258</b>    | <b>\$ 1,451,257</b>    | <b>\$ 1,361,838</b>     | <b>\$ 1,152,601</b>            | <b>\$ 1,583,247</b>       | <b>\$ 1,835,423</b>      | <b>34.78%</b>   |
| <b>Total Water Fund Revs. Over/(Under) Expenses:</b> |                                   | <b>\$ 538,967</b>      | <b>\$ 3,749,243</b>    | <b>\$ 1,166,801</b>     | <b>\$ 877,957</b>              | <b>\$ 922,917</b>         | <b>\$ 262,923</b>        | <b>-77.47%</b>  |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGETS**  
**Utility Funds - December 5, 2017**

| <u>Account Number</u>                  | <u>Description</u>              | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|--|---------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>602</b>                             | <b>Sewer Fund</b>               |                        |                        |                         |                                |                           |                          |   |
| <b>Sewer Fund Revenues:</b>            |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-000-0000-36100                     | Special Assessments             | -                      | 21,073                 | 62,133                  | 33,535                         | 62,133                    | 77,874                   | 25.33%  |
| 602-000-0000-36210                     | Interest on Investments         | 9,929                  | 14,584                 | 12,699                  | -                              | 15,000                    | 20,000                   | 57.49%  |
| 602-000-0000-37200                     | Sewer Sales                     | 61,920                 | 120,974                | 177,228                 | 96,416                         | 177,228                   | 247,599                  | 39.71%  |
| 602-000-0000-37220                     | SAC Early Pay discount/revenue  | 3,227                  | 8,474                  | -                       | 5,168                          | 5,800                     | 5,800                    | #DIV/0!   |
| 602-000-0000-37240                     | Sewer Connecton Fee Revenue     | 63,000                 | 803,000                | 1,462,000               | 1,267,620                      | 1,462,000                 | 908,700                  | -37.85%   |
| 602-000-0000-37250                     | Sewer Connection Fees Regional  | -                      | -                      | -                       | -                              | -                         | -                        | #DIV/0!   |
| 602-000-0000-37260                     | Sewer Connection Fees Municipal | 1,394,920              | 383,500                | 466,500                 | 388,480                        | 466,500                   | 345,500                  | -25.94%   |
| <b>Total Sewer Fund Revenues:</b>      |                                 | <b>\$ 1,532,996</b>    | <b>\$ 1,351,605</b>    | <b>\$ 2,180,560</b>     | <b>\$ 1,791,219</b>            | <b>\$ 2,188,661</b>       | <b>\$ 1,605,473</b>      | <b>-26.37%</b>  |
| <b>Sewer Fund Expenses:</b>            |                                 |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                       |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-495-9450-41010                     | Full-time Salaries              | 37,161                 | 39,678                 | 65,606                  | 21,398                         | 35,222                    | 66,250                   | 0.98%   |
|  | Safety Clothing Allowance       | -                      | -                      | -                       | -                              | 123                       | 123                      | #DIV/0!   |
| 602-495-9450-41210                     | PERA Contributions              | 3,453                  | 4,270                  | 4,920                   | 1,600                          | 2,650                     | 4,669                    | -5.10%  |
| 602-495-9450-41220                     | FICA Contributions              | 2,254                  | 1,987                  | 4,068                   | 1,282                          | 2,185                     | 4,058                    | -0.25%  |
| 602-495-9450-41230                     | Medicare Contributions          | 527                    | 464                    | 951                     | 300                            | 510                       | 961                      | 1.05%   |
| 602-495-9450-41300                     | Insurance                       | 6,217                  | 8,352                  | 13,121                  | 5,342                          | 10,345                    | 10,744                   | -18.12%   |
|  | Unemployment Insurance          | -                      | -                      | -                       | -                              | 546                       | 342                      | #DIV/0!   |
| 602-495-9450-41510                     | Workers Compensation            | 1,663                  | 989                    | 2,625                   | 2,004                          | 3,032                     | 3,274                    | 24.72%  |
| <b>Total Personnel</b>                 |                                 | <b>\$ 51,274</b>       | <b>\$ 55,739</b>       | <b>\$ 91,291</b>        | <b>\$ 31,926</b>               | <b>\$ 54,613</b>          | <b>\$ 90,421</b>         | <b>-0.95%</b>   |
| <b>Materials and Supplies</b>          |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-495-9450-42270                     | Repair/Maint. Supplies          | 1,910                  | 5,873                  | 1,000                   | 1,214                          | 1,500                     | 4,000                    | 300.00%   |
|  | Office Supplies                 | -                      | -                      | -                       | -                              | -                         | 800                      | #DIV/0!   |
|  | Operating Supplies              | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
|  | Personal Protective Equipment   | -                      | -                      | -                       | -                              | -                         | 800                      | #DIV/0!   |
| 602-495-9450-42400                     | Small Tools & Minor Equipment   | (984)                  | 2,860                  | 500                     | 2,344                          | 2,800                     | 5,500                    | 1000.00%  |
| <b>Total Materials and Supplies</b>    |                                 | <b>\$ 926</b>          | <b>\$ 8,732</b>        | <b>\$ 1,500</b>         | <b>\$ 3,558</b>                | <b>\$ 4,300</b>           | <b>\$ 12,100</b>         | <b>706.67%</b>  |
| <b>Charges and Services</b>            |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-495-9450-43030                     | Engineering Services            | 14,511                 | -                      | 20,000                  | 4,429                          | 8,000                     | 20,000                   | 0.00%   |
| 602-495-9450-43150                     | Contract Services               | 3,085                  | 8,059                  | 5,000                   | 32,200                         | 37,000                    | 21,400                   | 328.00%   |
| 602-495-9450-43180                     | Software Support                | 4,071                  | 4,591                  | 6,000                   | 10,088                         | 18,479                    | 33,533                   | 458.89%   |
| 602-495-9450-43210                     | Telephone                       | 992                    | 1,008                  | 1,500                   | 828                            | 1,200                     | 1,500                    | 0.00%   |
| 602-495-9450-43220                     | Postage                         | -                      | -                      | 1,175                   | -                              | -                         | 1,175                    | 0.00%   |
| 602-495-9450-43310                     | Mileage                         | -                      | -                      | 100                     | -                              | -                         | -                        | -100.00%  |
| 602-495-9450-43610                     | Insurance                       | 185                    | 581                    | 2,000                   | 603                            | 1,000                     | 2,000                    | 0.00%   |
| 602-495-9450-43810                     | Electric Utility                | 4,621                  | 5,125                  | 5,000                   | 3,985                          | 5,000                     | 5,500                    | 10.00%  |
| 602-495-9450-43820                     | Sewer Utility - Met Council     | 17,592                 | 16,621                 | 44,514                  | 34,814                         | 44,514                    | 92,140                   | 106.99%   |
|  | Repairs/Maint. Equip.           | -                      | -                      | -                       | -                              | -                         | 4,500                    | #DIV/0!   |
|  | Equipment Rental                | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| 602-495-9450-44030                     | Repairs\Maint Imp Not Bldgs     | 1,131                  | 1,391                  | 1,200                   | 31,835                         | 33,000                    | 1,200                    | 0.00%   |
| 602-495-9450-44370                     | Conferences & Training          | 23                     | 80                     | 1,500                   | 3,285                          | 3,600                     | 2,000                    | 33.33%  |
| <b>Total Charges and Services</b>      |                                 | <b>\$ 46,212</b>       | <b>\$ 37,456</b>       | <b>\$ 87,989</b>        | <b>\$ 122,068</b>              | <b>\$ 151,793</b>         | <b>\$ 185,948</b>        | <b>111.33%</b>  |
| <b>Capital Outlay</b>                  |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-495-9450-45300                     | Improvements Other Than Bldgs   | -                      | -                      | -                       | -                              | 1,289,000                 | 85,000                   | #DIV/0!   |
| <b>Total Capital Outlay</b>            |                                 | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ -</b>                    | <b>\$ 1,289,000</b>       | <b>\$ 85,000</b>         | <b>#DIV/0!</b>  |
| <b>Miscellaneous and Non-operating</b> |                                 |                        |                        |                         |                                |                           |                          |   |
| 602-495-9450-43320                     | Depreciation Expense            | 42,224                 | 132,265                | 86,561                  | -                              | -                         | -                        | -100.00%  |
| 602-495-9450-44300                     | Miscellaneous Expenses          | -                      | 26,036                 | 300                     | 310                            | 310                       | 300                      | 0.00%   |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGETS**  
Utility Funds - December 5, 2017

| <u>Account Number</u>                                | <u>Description</u> | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|--|--------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| 602-495-9450-46010                                   | Bond Principal     | 0                      | -                      | -                       | 220,000                        | 220,000                   | 275,000                  | #DIV/0!   |
| 602-495-9450-46110                                   | Bond Interest      | 107,089                | 116,715                | 85,337                  | 124,318                        | 124,318                   | 195,324                  | 128.89%   |
| 602-495-9450-46250                                   | Fiscal Agent Fees  | (3,587)                | 3,707                  | 42,313                  | -                              | -                         | -                        | -100.00%  |
| 602-495-9450-47200                                   | Transfer Out       | -                      | 102,678                | -                       | -                              | -                         | -                        | #DIV/0!   |
| <b>Total Misc. and Non-operating</b>                 |                    | <b>\$ 145,726</b>      | <b>\$ 381,401</b>      | <b>\$ 214,511</b>       | <b>\$ 344,628</b>              | <b>\$ 344,628</b>         | <b>\$ 470,624</b>        | <b>119.39%</b>  |
| <b>Total Sewer Fund Expenses:</b>                    |                    | <b>\$ 244,139</b>      | <b>\$ 483,328</b>      | <b>\$ 395,291</b>       | <b>\$ 502,179</b>              | <b>\$ 1,844,335</b>       | <b>\$ 844,092</b>        | <b>113.54%</b>  |
| <b>Total Sewer Fund Revs. Over/(Under) Expenses:</b> |                    | <b>\$ 1,288,857</b>    | <b>\$ 868,277</b>      | <b>\$ 1,785,269</b>     | <b>\$ 1,289,039</b>            | <b>\$ 344,326</b>         | <b>\$ 761,381</b>        | <b>-57.35%</b>  |

**CITY OF LAKE ELMO**  
**2018 PROPOSED BUDGETS**  
**Utility Funds - December 5, 2017**

| <u>Account Number</u>                   | <u>Description</u>            | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|---|-------------------------------|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
| <b>603</b>                              | <b>Storm Water Fund</b>       |                        |                        |                         |                                |                           |                          |   |
| <b>Storm Water Fund Revenues:</b>       |                               |                        |                        |                         |                                |                           |                          |   |
| 603-000-0000-36100                      | Special Assessments           | -                      | -                      | 5,000                   | -                              | -                         | -                        | -100.00%  |
| 603-000-0000-36210                      | Interest on Investment        | 2,844                  | 15,933                 | 2,603                   | -                              | 14,000                    | 7,000                    | 168.92%   |
| 603-000-0000-37100                      | Surface Water Utility Sales   | 219,127                | 185,858                | 282,360                 | 185,598                        | 282,360                   | 283,587                  | 0.43%   |
| 603-000-0000-37140                      | SW Review Fee Revenue         | -                      | 27,375                 | 29,375                  | 29,350                         | 35,000                    | 29,375                   | 0.00%   |
| <b>Total Storm Water Fund Revenues:</b> |                               | <b>\$ 221,971</b>      | <b>\$ 229,166</b>      | <b>\$ 319,338</b>       | <b>\$ 214,948</b>              | <b>\$ 331,360</b>         | <b>\$ 319,962</b>        | <b>0.20%</b>  |
| <b>Storm Water Fund Expenses:</b>       |                               |                        |                        |                         |                                |                           |                          |   |
| <b>Personnel</b>                        |                               |                        |                        |                         |                                |                           |                          |   |
| 603-496-9500-41010                      | Full-time Salaries            | 23,599                 | 20,591                 | 36,630                  | 10,174                         | 14,553                    | 34,273                   | -6.43%  |
|   | Safety Clothing Allowance     | -                      | -                      | -                       | -                              | 53                        | 53                       | #DIV/0!   |
| 603-496-9500-41210                      | PERA Contributions            | 2,179                  | 2,408                  | 2,747                   | 756                            | 1,091                     | 2,570                    | -6.44%  |
| 603-496-9500-41220                      | FICA Contributions            | 1,378                  | 1,129                  | 2,271                   | 602                            | 903                       | 2,099                    | -7.57%  |
| 603-496-9500-41230                      | Medicare Contributions        | 322                    | 264                    | 531                     | 141                            | 211                       | 497                      | -6.40%  |
| 603-496-9500-41300                      | Insurance                     | 8,209                  | 5,856                  | 7,326                   | 5,165                          | 6,887                     | 6,275                    | -14.35%   |
|   | Unemployment Insurance        | -                      | -                      | -                       | -                              | 546                       | 342                      | #DIV/0!   |
| 603-496-9500-41510                      | Workers' Compensation         | 221                    | -                      | 1,465                   | 1,150                          | 1,290                     | 1,361                    | -7.10%  |
| <b>Total Personnel</b>                  |                               | <b>\$ 35,908</b>       | <b>\$ 30,247</b>       | <b>\$ 50,970</b>        | <b>\$ 17,988</b>               | <b>\$ 25,534</b>          | <b>\$ 47,470</b>         | <b>-6.87%</b>   |
| <b>Materials and Supplies</b>           |                               |                        |                        |                         |                                |                           |                          |   |
| 603-496-9500-42000                      | Office Supplies               | 1,933                  | 499                    | 500                     | 247                            | 500                       | 800                      | 60.00%  |
| 603-496-9500-42270                      | Repair/Maint. Maint Supplies  | 551                    | 3,972                  | 1,000                   | 44                             | 750                       | 2,000                    | 100.00%   |
|   | Operating Supplies            | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
|   | Personal Protective Equipment | -                      | -                      | -                       | -                              | -                         | 800                      | #DIV/0!   |
| 603-496-9500-42400                      | Small Tools & Minor Equipment | 200                    | -                      | 1,000                   | 329                            | 1,000                     | 3,500                    | 250.00%   |
| <b>Total Materials and Supplies</b>     |                               | <b>\$ 2,685</b>        | <b>\$ 4,471</b>        | <b>\$ 2,500</b>         | <b>\$ 620</b>                  | <b>\$ 2,250</b>           | <b>\$ 8,100</b>          | <b>224.00%</b>  |
| <b>Charges and Services</b>             |                               |                        |                        |                         |                                |                           |                          |   |
| 603-496-9500-43030                      | Engineering Services          | 20,332                 | 11,827                 | 20,000                  | 4,875                          | 8,000                     | 20,000                   | 0.00%   |
| 603-496-9500-43150                      | Contract Services             | 9,941                  | 2,400                  | 10,000                  | 7,270                          | 20,000                    | 17,200                   | 72.00%  |
| 603-496-9500-43180                      | Software Support              | 3,617                  | 4,067                  | 8,400                   | 5,426                          | 15,140                    | 15,500                   | 84.52%  |
| 603-496-9500-43220                      | Postage                       | 1,500                  | 1,800                  | 1,645                   | -                              | 700                       | 2,000                    | 21.58%  |
| 603-496-9500-43610                      | Insurance                     | -                      | -                      | 1,500                   | -                              | 1,500                     | 1,500                    | 0.00%   |
| 603-496-9500-44010                      | Street Sweeping               | 10,438                 | 10,318                 | 20,000                  | 14,842                         | 18,000                    | 25,000                   | 25.00%  |
|   | Repairs/Maint Equip           | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| 603-496-9500-44030                      | Repairs/Maint Not Bldg        | -                      | 1,368                  | 3,000                   | -                              | 2,000                     | 3,000                    | 0.00%   |
|   | Equipment Rental              | -                      | -                      | -                       | -                              | -                         | 1,000                    | #DIV/0!   |
| 603-496-9500-44370                      | Conferences & Training        | 2,265                  | 2,500                  | 2,500                   | 1,250                          | 1,000                     | 2,500                    | 0.00%   |
| <b>Total Charges and Services</b>       |                               | <b>\$ 48,094</b>       | <b>\$ 34,280</b>       | <b>\$ 67,045</b>        | <b>\$ 33,662</b>               | <b>\$ 66,340</b>          | <b>\$ 88,700</b>         | <b>32.30%</b>   |
| <b>Capital Outlay</b>                   |                               |                        |                        |                         |                                |                           |                          |   |
| 603-496-9500-45300                      | Improvements Other Than Bldgs | -                      | -                      | 20,000                  | -                              | 20,000                    | 40,000                   | 100.00%   |
| <b>Total Capital Outlay</b>             |                               | <b>\$ -</b>            | <b>\$ -</b>            | <b>\$ 20,000</b>        | <b>\$ -</b>                    | <b>\$ 20,000</b>          | <b>\$ 40,000</b>         | <b>100.00%</b>  |
| <b>Miscellaneous and Non-operating</b>  |                               |                        |                        |                         |                                |                           |                          |   |
| 603-496-9500-43320                      | Depreciation Expense          | 15,963                 | 15,963                 | 85,090                  | -                              | -                         | -                        | -100.00%  |
| 603-496-9500-44300                      | Miscellaneous Expenses        | -                      | 20,577                 | 400                     | 677                            | 1,000                     | 2,000                    | 400.00%   |
| 603-496-9500-46010                      | Bond Principal                | -                      | -                      | -                       | -                              | -                         | 160,000                  | #DIV/0!   |
| 603-496-9500-46110                      | Bond Interest                 | -                      | 44,765                 | 62,171                  | 62,171                         | 62,171                    | 58,294                   | -6.24%  |
| <b>Total Misc. and Non-operating</b>    |                               | <b>\$ 15,963</b>       | <b>\$ 81,305</b>       | <b>\$ 147,661</b>       | <b>\$ 62,848</b>               | <b>\$ 63,171</b>          | <b>\$ 220,294</b>        | <b>49.19%</b>   |
| <b>Total Storm Water Fund Expenses:</b> |                               | <b>\$ 102,649</b>      | <b>\$ 150,303</b>      | <b>\$ 288,176</b>       | <b>\$ 115,119</b>              | <b>\$ 177,295</b>         | <b>\$ 404,563</b>        | <b>40.39%</b>   |

CITY OF LAKE ELMO  
 2018 PROPOSED BUDGETS  
 Utility Funds - December 5, 2017

| <u>Account Number</u> | <u>Description</u>                                  | <u>2015<br/>Actual</u> | <u>2016<br/>Actual</u> | <u>2017<br/>Adopted</u> | <u>2017<br/>YTD - Sept. 30</u> | <u>2017<br/>Projected</u> | <u>2018<br/>Proposed</u> | <u>Adopted 2017 to<br/>Proposed 2018<br/>Percent Change</u> |
|-----------------------|---|------------------------|------------------------|-------------------------|--------------------------------|---------------------------|--------------------------|---|
|                       | Total Storm Water Fund Revs. Over/(Under) Expenses: | \$ 119,322             | \$ 78,863              | \$ 31,162               | \$ 99,829                      | \$ 154,065                | \$ (84,601)              | -371.49%  |

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-136**

**RESOLUTION ADOPTING 2018 WATER, SEWER AND STORM WATER FUND  
BUDGETS**

**WHEREAS**, The City of Lake Elmo is to approve a resolution setting forth an annual budget for the Water, Sewer and Storm Water Funds; and

**WHEREAS**, the City Council has received the budget document;

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Lake Elmo, that the 2018 Water, Sewer and Storm Water Fund Budgets shall be as follows:

|                            | <b>2018<br/>Water<br/>Adopted</b> | <b>2018<br/>Sewer<br/>Adopted</b> | <b>2018<br/>Storm<br/>Adopted</b> |
|----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Fund Revenues:</b>      |                                   |                                   |                                   |
| Charges for Services       | \$ 599,769                        | \$ 253,399                        | \$312,962                         |
| Connections                | 1,280,000                         | 1,254,200                         | -                                 |
| Special Assessments        | 111,077                           | 77,874                            | -                                 |
| Miscellaneous              | 87,500                            | -                                 | -                                 |
| Interest on Investments    | 20,000                            | 20,000                            | 7,000                             |
| <b>Total Fund Revenues</b> | <b>\$2,098,346</b>                | <b>\$1,605,473</b>                | <b>\$319,962</b>                  |
| <b>Fund Expenses:</b>      |                                   |                                   |                                   |
| Personnel                  | \$ 149,309                        | \$ 90,421                         | \$ 47,470                         |
| Materials and Supplies     | 182,650                           | 12,100                            | 8,100                             |
| Charges and Services       | 352,333                           | 185,947                           | 88,700                            |
| Capital Outlay             | 137,500                           | 85,000                            | 40,000                            |
| Miscellaneous              | 1,013,631                         | 470,624                           | 220,293                           |
| <b>Total Fund Expenses</b> | <b>\$1,835,423</b>                | <b>\$844,092</b>                  | <b>\$404,563</b>                  |

ADOPTED, by the Lake Elmo City Council on the 5th day of December, 2017.

\_\_\_\_\_  
Mike Pearson  
Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson  
City Clerk



## STAFF REPORT

DATE: December 5, 2017

**REGULAR**

ITEM #17

**TO:** Honorable Mayor and City Council  
**FROM:** Brian A. Swanson – Finance Director  
**AGENDA ITEM:** 2018 Fee Schedule  
**REVIEWED BY:**

---

### BACKGROUND:

Based on a previous City Council item on the 2018 Utility Budgets, staff outlined that fee adjustments would be brought forth for City Council consideration. As such, the City's 2018 Fee Schedule will need to be adopted if the fee adjustments are approved.

### ISSUES BEFORE THE CITY COUNCIL:

- 1) Does the City Council have any questions regarding the 2018 Proposed Utility Rates?
- 2) Does the City Council have any questions regarding the change to the new sod installation credit or removal of the bulk water swimming pool fill?
- 3) Would the City Council desire to approve the 2018 Fee Schedule?

### DISCUSSION:

Since the last fee schedule amendment on September 5, 2017, the only fee changes being proposed pertain to utilities, which are from the Utility Financial Management Plan presented by Northland Securities at the October 3<sup>rd</sup> regular City Council meeting and City Council direction at the November 14<sup>th</sup> workshop. Below are some basic recommendations:

- 1) **Water Fund** – Proposed three percent (3%) rate increase across the base and variable rates compared from the 2017 Adopted to 2018 Proposed. Water Availability Charge (WAC) and the Water Connection Charge would remain the same.
- 2) **Sewer Fund** – Proposed one percent (1%) rate increase for the commercial usage, residential usage, and residential base fee, compared from the 2017 Adopted to 2018 Proposed. Sewer Availability Charge (SAC) and the Sewer Connection Charge would remain the same.
- 3) **Storm Water Fund** – Service fee would increase by five dollars (\$5.00) from the 2017 Adopted to 2018 Proposed.

### Other Water Fund Changes – New Sod Installation and Swimming Pool Fill

From the November 14<sup>th</sup> workshop, the City Council discussed the new sod installation and swimming pool bulk water purchases, with the former asking for a staff recommendation, and the latter providing direction. As such, here is information pertaining to each:

- 1) **New Sod Installation** – Based on City Council discussion, staff is recommending a one-time \$40.00 credit be applied to the utility bill at the time of the sod installation for customers that contact the City requesting it. This recommendation is derived from the average credit applied in 2017 to customers of \$41.59.
- 2) **Swimming Pool Fill** – Per City Council direction, staff is eliminating the bulk water swimming pool fill fee. Water will now be billed based on the actual usage and whichever tier the usage corresponds to.

Attachment #1 outlines the complete list of utility changes being proposed to the fee schedule, which is consistent with the attached 2018 Fee Schedule.

Attachment #2 outlines a sample residential property owner not on the 201 system, who has water, sewer and storm water charges, comparing the existing 2017 Utility rates to the 2018 Proposed Utility rates. Based on the attachment, the sample residential property not on the 201 system would see an annual total increase of \$17.24.

**FISCAL IMPACT:**

By adopting the utility rates proposed in the 2018 Fee Schedule, this will be consistent with the long range financial management plan for the utility funds and working to achieve long-term sustainability. Regular review of the plan and utility rates are crucial to achieving the goal of long-term sustainability in the Water, Sewer and Storm Water funds for the City.

**RECOMMENDATION:**

- 1) Approve Ordinance 08-191, adopted the 2018 City of Lake Elmo Fee Schedule.
- 2) Adopt Resolution 2017-137 Authorizing Publication of Ordinance 08-191 By Title and Summary.

**ATTACHMENTS:**

- 1) 2017 Adopted and 2018 Proposed Utility Rates
- 2) 2018 Proposed Utility Rates – Impact on Non-201 Residential Property
- 3) Ordinance 08-191, amending the 2018 City of Lake Elmo Fee Schedule.
- 4) Resolution 2017-137 Authorizing Publication of Ordinance 08-191 By Title and Summary.
- 5) 2018 City of Lake Elmo Fee Schedule

**CITY OF LAKE ELMO**  
**2017 Adopted and 2018 Proposed Utility Charges**  
**December 5, 2017**

| <b>APPLICATION/FEE/PERMIT TYPE</b>                          | <b>2017 FEE</b>      | <b>2018 PROPOSED</b> | <b>CHANGE FROM 2017 TO 2018</b> | <b>ADDITIONAL INFORMATION</b>  |
|---|----------------------|----------------------|---------------------------------|--|
| <b>SAC Charge (City) (Sewer Availability Charge)</b>        | \$3,000.00           | \$3,000.00           | 0.00%                           | Per REC Unit: collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. |
| <b>SAC Charge (Met Council) (Sewer Availability Charge)</b> | \$2,485.00           | \$2,485.00           | 0.00%                           | Per REC Unit: \$2,485.00 to Met Council at time of connection.   |
| <b>Sewer Connection Charge</b>                              | \$1,000.00           | \$1,000.00           | 0.00%                           | Per REC Unit collected at time of plat for new lot. This fee maybe deferred through special assessment for parcels with existing structures.   |
| <b>Sewer Lateral Benefit Charge</b>                         | \$11,000.00          | \$11,300.00          | 2.73%                           | Per REC Unit connecting to a Trunk Sewer Main and that has never been assessed.  |
| <b>Sewer Base Charge – Residential – Non 201 Off Site</b>   | \$52.50 per quarter  | \$53.03 per quarter  | 1.00%                           | Allowance of 10,000 gallons (10 Units) per quarter   |
| <b>Sewer Rate</b>   | \$4.50/1,000 Gal     | \$4.55/1,000 Gal     | 1.00%                           |  |
| 201 Off-Site Maintenance Fee                                | \$75.00/unit/quarter | \$75.75/unit/quarter | 1.00%                           |  |
| <b>Surface Water</b>  |                      |                      |                                 |  |
| Residential   | \$50.00              | \$55.00              | 10.00%                          |  |
| Non-Residential (Commercial etc.)                           | \$50.00              | \$55.00              | 10.00%                          | Utility rate factor per code   |
| Review Fee  | \$125.00             | \$137.50             | 10.00%                          | \$82.50 Review/\$55 Storm Water Fund   |
| <b>Water Availability Charge (WAC)</b>                      | \$3,000.00           | \$3,000.00           | 0.00%                           | Per REC Unit; collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. |
| <b>Water Connection Charge</b>                              | \$1,000.00           | \$1,000.00           | 0.00%                           | Per REC Unit, collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. |
| <b>Water Equipment/Set up</b>                               |                      |                      |                                 |  |
| Meter (3/4" or less)  | \$350.00             | \$360.50             | 3.00%                           | Additional fees apply to larger sized meters   |
| Driveway Curb Stop Lid                                      | \$100.00             | \$103.00             | 3.00%                           | Additional fees apply to larger sized meters   |
| Disconnect Service  | \$80.00              | \$82.40              | 3.00%                           | Additional fees apply to larger sized meters   |
| Reconnect Service   | \$80.00              | \$82.40              | 3.00%                           | Additional fees apply to larger sized meters   |
| <b>Water Lateral Benefit Charge</b>                         | \$5,800.00           | \$5,800.00           | 0.00%                           | Per REC Unit connecting to a Trunk Water Main and that has never been assessed.  |
| <b>Water Usage</b>  |                      |                      |                                 |  |
| Residential - Quarterly Rate                                | \$20.00 Base         | \$20.60 Base         | 3.00%                           |  |
| <b>Residential - Plus Rate per 1,000 Gallons</b>            |                      |                      |                                 |  |
| Plus Rate for 0-15,000 Gallons                              | \$2.00               | \$2.06               | 3.00%                           |  |
| Plus Rate for 15,001-30,000 Gallons                         | \$2.40               | \$2.47               | 3.00%                           |  |
| Plus Rate for 30,001-50,000 Gallons                         | \$2.88               | \$2.97               | 3.00%                           |  |
| Plus Rate for 50,001-80,000 Gallons                         | \$3.46               | \$3.56               | 3.00%                           |  |
| Plus Rate for 80,001 + Gallons                              | \$4.15               | \$4.27               | 3.00%                           |  |

**CITY OF LAKE ELMO**  
**2017 Adopted and 2018 Proposed Utility Charges**  
**December 5, 2017**

| <b>APPLICATION/FEE/PERMIT TYPE</b>                 | <b>2017 FEE</b>  | <b>2018 PROPOSED</b>    | <b>CHANGE FROM 2017 TO 2018</b> | <b>ADDITIONAL INFORMATION</b>  |
|--|------------------|-------------------------|---------------------------------|--|
| <b>Water Usage</b>                                 |                  |                         |                                 |  |
| Commercial - Quarterly Rate                        | \$25.00 Base     | \$25.75 Base            | 3.00%                           |  |
| <b>Commercial - Plus Rate Per 1,000 Gallons</b>    |                  |                         |                                 |  |
| Plus Rate for 0 - 15,000 Gallons                   | \$3.11           | \$3.20                  | 3.00%                           |  |
| Plus Rate for 15,001 - 30,000 Gallons              | \$3.26           | \$3.36                  | 3.00%                           |  |
| Plus Rate for 30,001 - 50,000 Gallon               | \$3.77           | \$3.88                  | 3.00%                           |  |
| Plus Rate for 50,001 - 80,000 Gallons              | \$5.00           | \$5.15                  | 3.00%                           |  |
| Plus Rate for 80,001 + Gallons                     | \$6.63           | \$6.83                  | 3.00%                           |  |
| <b>Water Usage</b>                                 |                  |                         |                                 |  |
| Hotel / Motel - Quarterly Rate                     | \$25.00 Base     | \$25.75 Base            | 3.00%                           | For metered non-irrigation (domestic) consumption  |
| <b>Hotel / Motel - Plus Rate Per 1,000 Gallons</b> |                  |                         |                                 |  |
| Plus Rate for 0 -30,000 Gallons                    | \$3.11           | \$3.20                  | 3.00%                           | For metered non-irrigation (domestic) consumption  |
| Plus Rate for 30,001 - 50,000 Gallons              | \$3.26           | \$3.36                  | 3.00%                           | For metered non-irrigation (domestic) consumption  |
| Plus Rate for 50,001 + Gallons                     | \$4.00           | \$4.12                  | 3.00%                           | For metered non-irrigation (domestic) consumption  |
| <b>Water Usage Delinquent Accounts</b>             |                  |                         |                                 |  |
| Regular  | 6% per quarter   | 6% per quarter          | 0.00%                           | Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with property taxes. |
| Storm Water  | 10% per year     | 10% per year            | 0.00%                           | Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with property taxes. |
| <b>Bulk Water Purchase</b>                         |                  |                         |                                 |  |
| Water from Hydrant                                 | \$100.00 minimum | \$103.00 minimum        | 3.00%                           | Plus \$3.36/additional 1,000 gallons   |
| Sod Installation (New Construction)                | \$100.00 minimum | \$40.00 one-time credit | N/A                             | Applied to utility bill at time of installation  |
| Swimming Pool Fill                                 | \$100.00 minimum | Eliminated              | N/A                             | Eliminated per City Council direction  |
| <b>Considered by City Council - 12-5-17</b>        |                  |                         |                                 |  |

**CITY OF LAKE ELMO**  
**ESTIMATED UTILITY BILL**  
**ACTUAL 2017 AND PROPOSED 2018**  
**December 5, 2017**

**Household Size** **4**  
**Water units per quarter (per thousand gallons)** **24**  
**Sewer base units allowance (per thousand gallons)** **10**  
**Sewer consumption units** **8**

| <b>Service Type</b>   | <b>Actual<br/>2017</b>  | <b>Proposed<br/>2018</b> | <b>Dollar<br/>Change</b> |
|---|-------------------------|--------------------------|--------------------------|
| <b>Water</b>  |                         |                          |                          |
| Per unit rate - Tier 1 - 0 -15 Units                            | \$ 2.00                 | \$ 2.06                  | \$ 0.06                  |
| Per unit rate - Tier 2 - 16 - 30 Units                          | 2.40                    | 2.47                     | 0.07                     |
| <hr/>   |                         |                          |                          |
| Base Fee  | \$ 20.00                | \$ 20.60                 | \$ 0.60                  |
| Consumption Charge Tier 1                                       | 30.00                   | 30.90                    | 0.90                     |
| Consumption Charge Tier 2                                       | 21.60                   | 22.23                    | 0.63                     |
| <b>Water Quarterly Bill</b>                                     | <b>\$ 71.60</b>         | <b>\$ 73.73</b>          | <b>\$ 2.13</b>           |
| <br>  |                         |                          |                          |
| <b>Sewer - Non 201 Property</b>                                 |                         |                          |                          |
| Per unit  | \$ 4.50                 | \$ 4.55                  | \$ 0.05                  |
| <hr/>   |                         |                          |                          |
| Base Fee - First 10 units                                       | \$ 52.50                | \$ 53.03                 | \$ 0.53                  |
| Consumption - Amount over 10 units                              | 36.00                   | 36.40                    | 0.40                     |
| <b>Sewer Quarterly Bill</b>                                     | <b>\$ 88.50</b>         | <b>\$ 89.43</b>          | <b>\$ 0.93</b>           |
| <br>  |                         |                          |                          |
| <b>Total Water and Sewer Quarterly Bill</b>                     | <b><u>\$ 160.10</u></b> | <b><u>\$ 163.16</u></b>  | <b><u>\$ 3.06</u></b>    |
| <br>  |                         |                          |                          |
| <b>Storm Sewer</b>  |                         |                          |                          |
| Annual Service Fee  | \$ 50.00                | \$ 55.00                 | \$ 5.00                  |
| <b>Total Annual Storm Sewer Bill</b>                            | <b><u>\$ 50.00</u></b>  | <b><u>\$ 55.00</u></b>   | <b><u>\$ 5.00</u></b>    |
| <br>  |                         |                          |                          |
| <b>Total Annual Utility Bill Cost - Water, Sewer, and Storm</b> | <b><u>\$ 690.40</u></b> | <b><u>\$ 707.64</u></b>  | <b><u>\$ 17.24</u></b>   |

**CITY OF LAKE ELMO  
COUNTY OF WASHINGTON  
STATE OF MINNESOTA**

**ORDINANCE NO. 08-191**

**AN ORDINANCE ADOPTING A 2018 FEE SCHEDULE FOR THE CITY OF LAKE  
ELMO**

The City Council of the City of Lake Elmo ordains:

**SECTION I. Schedule Adopted.** The attached fee schedule is hereby adopted.

**SECTION II. Not Codified.** This ordinance is transitory in nature and shall not be codified in the City Code. This ordinance and the fee schedule established hereby shall be placed on file and available for public inspection at City Hall.

**SECTION III. Effect.** The fees set out in the attached fee schedule apply notwithstanding any other fees the City has established which may be inconsistent. Any other fees imposed by the City which do not appear on the attached fee schedule remain in full force and effect.

**SECTION IV. Effective Date.** This ordinance shall become effective for all billings rendered after December 31, 2017, and upon adoption and publication in the official newspaper of the City of Lake Elmo.

**SECTION V. Adoption Date.** This Ordinance No. 08-191 was adopted on this 5th day of December, 2017, by a vote of \_\_\_Ayes and \_\_\_Nays.

**LAKE ELMO CITY COUNCIL**

\_\_\_\_\_  
Mike Pearson, Mayor

ATTEST:

\_\_\_\_\_  
Julie Johnson, City Clerk

This Ordinance \_\_\_\_\_ was published on the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**CITY OF LAKE ELMO  
COUNTY OF WASHINGTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-137**

**RESOLUTION AUTHORIZING PUBLICATION OF ORDINANCE 08-191 BY TITLE  
AND SUMMARY**

**WHEREAS**, the City Council of the City of Lake Elmo has adopted Ordinance No. 08-191, an ordinance amending the City Code of Ordinances by amending the City's provisions related to the City Council; and

**WHEREAS**, the Ordinance includes a chart 8 pages in length; and

**WHEREAS**, Minnesota Statutes Section 412.191, subdivision 4, allows publication by title and summary in the case of lengthy ordinances or those containing charts or maps; and

**WHEREAS**, the City Council believes that the following summary would clearly inform the public of the intent and effect of the Ordinance; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Lake Elmo, that the City Clerk shall cause the following summary of Ordinance No. 08-191 to be published in the official newspaper in lieu of the entire ordinance:

**Public Notice**

The City Council of the City of Lake Elmo has adopted Ordinance No. 08-191, which adopts the City's 2018 Fee Schedule.

The full text of Ordinance No. 08-191 is available for inspection at Lake Elmo city hall during regular business hours.

**BE IT FURTHER RESOLVED** by the City Council of the City of Lake Elmo that the City Administrator keep a copy of the Ordinance at City Hall for public inspection and that a copy be placed for public inspection at the Lake Elmo Public Library.

Dated: December 5, 2017.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

(SEAL)

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against same:

Whereupon said resolution was declared duly passed and adopted.



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE  | 2017 FEE   | ADDITIONAL CHARGE, ESCROW or NOTES                                  | DEPARTMENT     |
|--|--|---|----------------|
| Amateur Radio Antenna  | \$875.00   |   | Planning       |
| Appeal (to Board of Adjustment and Appeals)                                | \$250.00   |   | Administration |
| Bee Keeping Permit   | \$25.00  | Valid for 2 years from issuance                                     | Administration |
| Building Regulations   |  | * State Sur Charge Collected per MN Statute 326B.148 on all permits | Building       |
| <b>Building Permit Fee Schedule</b>  |  |   |                |
| <b>Total Valuation</b>   |  |   |                |
| \$1.00 to \$500.00   | \$29.50  |   | Building       |
| \$501.00 to \$2,000.00   | \$28.00 for the first \$500.00 plus \$3.70 for each additional \$100.00, or fraction thereof, to and including \$2,000.00.           |   | Building       |
| \$2,001.00 to \$25,000.00  | \$83.50 for the first \$2,000.00 + \$16.55 for each additional \$1,000.00, or fraction thereof, to and including \$25,000.00.        |   | Building       |
| \$25,001.00 to \$50,000.00   | \$464.15 for the first \$25,000.00 + \$12.00 for each additional \$1,000.00, or fraction thereof, to and including \$50,000.00.      |   | Building       |
| \$50,001.00 to \$100,000.00  | \$764.15 for the first \$50,000.00 + \$8.45 for each additional \$1,000.00, or fraction thereof, to and including \$100,000.00.      |   | Building       |
| \$100,001.00 to \$500,000.00   | \$1,186.65 for the first \$100,000.00 + \$6.75 for each additional \$1,000.00, or fraction thereof, to and including \$500,000.00.   |   | Building       |
| \$500,001.00 to \$1,000,000.00   | \$3,886.65 for the first \$500,000.00 + \$5.50 for each additional \$1,000.00, or fraction thereof, to and including \$1,000,000.00. |   | Building       |
| \$1,000,001.00 and up  | \$6,636.65 for the first \$1,000,000.00 + \$4.50 for each additional \$1,000.00, or fraction thereof.                                |   | Building       |
| Planning and Zoning Compliance Review and Verification                     | \$100.00   |   | Building       |
| Plan Review Fee  | 65% of building permit fee   |   | Building       |
| Plan review for similar plans  | 25% of normal building permit fee (MN Rules 1300.0160 subp. 5)   |   | Building       |
| Single Family Decks  | Fee based on Valuation   |   | Building       |
| Single Family Residential Basement Finish                                  | Fee Based on Valuation   |   | Building       |
| Swimming Pool In-Ground  | \$150.00   |   | Building       |
| Swimming Pool Above-Ground   | \$75.00  |   | Building       |
| Reinspection Fee   | \$75.00  |   | Building       |
| Inspection outside normal business hours                                   | \$120.00 per hour - 2 hour minimum   |   | Building       |
| Investigation fee - work started without required permit                   | Equal to permit fee amount   |   | Building       |
| Replace Inspection Record Card   | \$25.00  |   | Building       |
| Additional Plan Review required by changes, addendum or revisions to plans | \$75.00 per hour, one hour minimum   |   | Building       |
| Building Demolition - Residential  | \$200.00   |   | Building       |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE   | 2017 FEE  | ADDITIONAL CHARGE, ESCROW or NOTES | DEPARTMENT |
|---|---|------------------------------------|------------|
| Building Demolition - Commercial  | \$300.00  |                                    | Building   |
| Fuel Tank Removal (Underground)   | \$250.00  |                                    | Building   |
| Fuel Tank Installation  | 2% Value of the work  |                                    | Building   |
| Roofing - Residential   | Fee Based on Valuation  |                                    | Building   |
| Roofing - Commercial  | Fee Based on Valuation  |                                    | Building   |
| Siding - Residential  | Fee Based on Valuation  |                                    | Building   |
| Siding - Commercial   | Fee Based on Valuation  |                                    | Building   |
| Retaining Walls over 4'   | Fee Based on Valuation  |                                    | Building   |
| Commercial Plumbing   | \$60.00 per unit, Up to 3 Units or 1.5% Value of work, whichever is greater   |                                    | Building   |
| Residential Plumbing  | \$60.00 per Unit, max fee \$180.00  |                                    | Building   |
| Sewer Service Installation Inspection                                     | \$60.00   |                                    | Building   |
| Water Service Installation Inspection                                     | \$60.00   |                                    | Building   |
| Sewer & Water Service Installation Inspection when completed together     | \$60.00   |                                    | Building   |
| Investigation fee - Plumbing work started without required permit         | Equal to permit fee amount  |                                    | Building   |
| Commercial HVAC   | \$60.00 per unit, Up to 3 Units or 1.5% Value of work, whichever is greater   |                                    | Building   |
| Residential HVAC  | \$60.00 per Unit, max fee \$180.00  |                                    | Building   |
| Fireplace Installation  | \$60 per unit   |                                    | Building   |
| Investigation fee - HVAC work started without required permit             | Equal to permit fee amount  |                                    | Building   |
| Manufactured Home Move In   | \$200.00  |                                    | Building   |
| Manufactured Home Move Out  | \$200.00  |                                    | Building   |
| Moving House or Primary Structure into the City                           | 2% Value of the Work plus security amount determined by the Building Official |                                    | Building   |
| Moving Accessory Structure into the City                                  | 2% Value of the Work plus security amount determined by the Building Official |                                    | Building   |
| Automatic Fire Extinguishing Systems                                      | 2% Value, \$100.00 minimum  |                                    | Building   |
| Investigation fee - Fire Suppression work started without required permit | Equal to permit fee amount  |                                    | Building   |
| Fire Alarm Systems  | 2% Value, \$100.00 minimum  |                                    | Building   |
| Investigation fee - Fire Alarm work started without required permit       | Equal to permit fee amount  |                                    | Building   |
| Annual Retail Consumer Fireworks (retailers only selling fireworks)       | \$350.00  |                                    | Building   |
| Annual Retail Consumer Fireworks (all other retailers)                    | \$100.00  |                                    | Building   |
| Outdoor Public Fireworks Display  | \$150.00  |                                    | Building   |
| Residential Day Care Inspections  | \$50.00   |                                    | Building   |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE                                 | 2017 FEE   | ADDITIONAL CHARGE, ESCROW or NOTES  | DEPARTMENT     |
|---|--|---|----------------|
| Residential Adult Care/Foster Care/Adoption Inspections     | \$50.00  |   | Building       |
| Escrow Administration Fee                                   | \$100.00   |   | Building       |
| New Single Family Dwelling Construction Escrow              | \$2,000.00   |   | Building       |
| Two or more dwelling units per building Construction Escrow | \$1,000.00 per unit                                      |   | Building       |
| Commercial/Industrial and Other structures                  | \$5,000.00 or amount determined by the Building Official |   | Building       |
| <b>Burning Permit</b>                                       |  |   | Fire           |
| Residential   | \$45.00  |   | Fire           |
| Commercial  | \$80.00  |   | Fire           |
| Illegal Burn  | see notes →  | Additional fees may be incurred based on Wash. Cty. Chief's fee schedule and # of responding units                        | Fire           |
| Chicken Keeping Permit                                      | \$25.00  | Initial permit expires on 12/31 of 2nd year.  | Administration |
| Comprehensive Plan Amendment                                | \$1,300.00   | Land Use Escrow \$2500  | Planning       |
| <b>Conditional Use Permit (CUP)</b>                         |  |   | Planning       |
| New   | \$1,050.00   | Wireless Communication Facilities Fee Escrow \$6,000.00. Flood Plain Ordinance Fee Escrow \$500.00 Land Use Escrow \$2500 | Planning       |
| Amended   | \$500.00   |   | Planning       |
| <b>Contractor License Fees</b>                              |  |   | Licensing      |
| Driveway  | \$50.00  |   | Licensing      |
| Solid Waste Hauler  | \$120.00   |   | Licensing      |
| <b>Copy Services (Paper/Electronic)</b>                     |  |   | Administration |
| Copies (B&W)  | \$0.25 per page  | 100 pages or more are charged at actual cost of production  | Administration |
| Copies (Color)  | \$0.50 per page  | 100 pages or more are charged at actual cost of production  | Administration |
| Copies (B&W) 11x17  | \$1.00 per page  | 100 pages or more are charged at actual cost of production  | Administration |
| Copies (Color) 11x17  | \$2.00 per page  | 100 pages or more are charged at actual cost of production  | Administration |
| Data DVD Fee  | \$15.00  |   | Administration |
| GIS Scaled Aerial   | \$25.00  |   | Administration |
| Existing Maps   | \$5.00   |   | Administration |
| Custom (Per Hour Rate)                                      | \$70.00  |   | Administration |
| Plan Size Maps (Larger than 11x17)                          | \$15.00  |   | Administration |
| Development Standards Specs/Details                         | \$55.00  |   | Administration |
| Video reproduction  | \$10.00  |   | Administration |
| Culverts in Developments with Rural Section                 | \$160.00   |   | Administration |
| Dog License- altered  | \$20.00  |   | Licensing      |
| Dog License- unaltered                                      | \$25.00  |   | Licensing      |
| Dog License- late fee                                       | \$2.50 per month   | Maximum \$10  | Licensing      |
| Service Dog License   | No Charge  |   | Licensing      |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE                                     | 2017 FEE            | ADDITIONAL CHARGE, ESCROW or NOTES  | DEPARTMENT     |
|---|---------------------|---|----------------|
| Dog - duplicate license or tag                                  | \$1.00              |   | Licensing      |
| <b>Dog and Cat Impound fees</b>                                 |                     |   |                |
| First Impound- Unlicensed Dog                                   | \$60.00             | All Impound Fees plus \$20/day Boarding Fee   | Licensing      |
| First Impound- Licensed Dog                                     | \$42.00             |   | Licensing      |
| First Impound- Cat  | \$42.00             |   | Licensing      |
| Subsequent dog/ cat impound                                     | \$85.00             |   | Licensing      |
| <b>Driveway</b>   |                     |   | Planning       |
| Residential   | \$70.00             |   | Planning       |
| Commercial  | \$160.00            |   | Planning       |
| Easement Encroachment   | \$100.00            | Staff & Recording Fee   | Planning       |
| Electronic Fund Withdrawal/Bill Payment                         | Fee + Trans. Charge |   | Administration |
| <b>Environmental Review (EAW/EIS)</b>                           | \$1,500.00          | \$2,500 Land Use escrow   |                |
| Village Area AUAR Fee   | \$230.00            | Per REC Unit. To be charged to development applications that increase the number of REC units above existing conditions within the Village AUAR Area. The fee will be based on the difference between the proposed and existing REC units. Fee to be paid as part of a developer's agreement for larger projects or at the time a building permit is issued for smaller projects. Once paid, the same land will not be charged again. | Planning       |
| <b>Erosion Control</b>  |                     |   | Building       |
| Re-inspection Fee (portal to portal from City Hall: 1 Hr. min)  | \$50.00 per hour    | \$5,000.00 Security   | Building       |
| Excavating & Grading $\geq$ 50 cubic yards, up to 400 cubic yds | \$125.00            | Security \$500.00   | Building       |
| Excavating & Grading $\geq$ 400 cubic yards/acre of site area   | \$500.00            | \$500.00 fee escrow. Plus Security as Determined by the Planning Department   | Engineering    |
| <b>False Alarms (12 Month Period)* (*1-3 no charge)</b>         |                     |   | Fire           |
| Residential   |                     |   | Fire           |
| 4-6 False Alarms  | \$110.00            |   | Fire           |
| In Excess of 6 False Alarms                                     | \$185.00            |   | Fire           |
| Commercial  |                     |   | Fire           |
| 4-6 False Alarms  | \$315.00            |   | Fire           |
| In Excess of 6 False Alarms                                     | \$520.00            |   | Fire           |
| Flood Plain District Delineation                                | \$500.00            |   | Planning       |
| <b>Interim Use Permit (IUP)</b>                                 |                     |   |                |
| Fee   | \$1,050.00          | \$2,500.00 Escrow   | Planning       |
| Renewal   | \$300.00            |   | Planning       |
| <b>Liquor License</b>   |                     |   | Licensing      |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE                  | 2017 FEE            | ADDITIONAL CHARGE, ESCROW or NOTES   | DEPARTMENT |
|--|---------------------|--|------------|
| Club On-Sale Intoxicating                    | \$100.00            |  | Licensing  |
| On-Sale Intoxicating                         | \$1,500.00          |  | Licensing  |
| Off-Sale Intoxicating                        | \$200.00            |  | Licensing  |
| Off-Sale Non-Intoxicating                    | \$150.00            |  | Licensing  |
| On-Sale Intoxicating- 2nd Building           | \$750.00            |  | Licensing  |
| On-Sale Non-Intoxicating                     | \$100.00            |  | Licensing  |
| Investigation                                | \$350.00            |  | Licensing  |
| On-Sale Sunday Intoxicating                  | \$200.00            |  | Licensing  |
| Temporary Intoxicating                       | \$25.00             |  | Licensing  |
| Wine   | \$300.00            |  | Licensing  |
| Lot Line Adjustment                          | \$325.00            | None   | Planning   |
| <b>Massage Therapy Premises License</b>      |                     |  | Licensing  |
| Application Fee                              | \$100.00            | Fee includes one Therapist   | Licensing  |
| Investigation Fee                            | \$100.00            |  | Licensing  |
| <b>Massage Therapy Practitioner License</b>  |                     |  | Licensing  |
| Application Fee                              | \$50.00             |  | Licensing  |
| Investigation Fee                            | \$25.00             |  | Licensing  |
| Massage Therapy Premises License Renewal     | \$50.00             | Fee includes one Therapist   | Licensing  |
| Massage Therapy Practitioner License Renewal | \$25.00             |  | Licensing  |
| Massage Therapy License Amendment            | \$25.00             |  | Licensing  |
| Minor Subdivision                            | \$525.00            | \$1,000.00 escrow  | Planning   |
| <b>Park Dedication</b>                       |                     |  | Planning   |
| Residential - Up to three lots               | \$3,600.00 per lot  | Four or more lots per §153.14  | Planning   |
| Commercial                                   | \$4,500.00 per acre |  | Planning   |
| <b>Parking Lots</b>                          |                     |  | Planning   |
| Commercial                                   | \$200.00            | \$500 Fee Escrow. Plus Security as Determined by the Planning Department   | Planning   |
| <b>Platting</b>                              |                     |  |            |
| Sketch Plan Review (Subdivision)             | \$500.00            | \$3,500 Fee Escrow   | Planning   |
| Preliminary Plat (Subdivision)               | \$1,850.00          | \$10,000 Fee Escrow  | Planning   |
| Final Plat (Subdivision)                     | \$1,250.00          | \$8,000 Fee Escrow   | Planning   |
| <b>Planned Unit Development</b>              |                     |  | Planning   |
| General Concept Plan                         | \$1,250.00          | \$7,500 Fee Escrow (Waive Subdivision Escrow)  | Planning   |
| Development Stage Plan                       | \$1,850.00          | \$10,000 Fee Escrow (Waive Subdivision Escrow)   | Planning   |
| Final Plat                                   | \$1,250.00          | \$8,000 Fee Escrow (Waive Subdivision Escrow) and (City will retain escrows to reimburse review costs for each stage of Development) | Planning   |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE  | 2017 FEE              | ADDITIONAL CHARGE, ESCROW or NOTES   | DEPARTMENT     |
|--|-----------------------|--|----------------|
| Private Roads (Permitted only in AG zone)                                    | \$150.00              |  | Planning       |
| Restrictive Soils and Wetland Restoration Protection and Preservation Permit | \$800.00              |  | Planning       |
| Returned Check (NSF)   | \$25.00               |  | Administration |
| <b>Right-of-Way Permit</b>   |                       |  |                |
| Annual Registration  | \$200.00              | \$5,000 Security   | Engineering    |
| Excavation Permit  | \$275.00 + \$.60/foot |  | Engineering    |
| Joint Trench Permit (per lot per utility)                                    | \$275.00 + \$.60/foot |  | Engineering    |
| Obstruction Permit   | \$275.00              |  | Engineering    |
| Small Wireless Permit Fee  | \$275.00              |  | Engineering    |
| Permit Extension   | \$100.00              |  | Engineering    |
| Delay Penalty (per calendar day)   | \$25.00               |  | Engineering    |
| SAC Charge (City) (Sewer Availability Charge)                                | \$3,000.00            | Per REC Unit: collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. | Engineering    |
| SAC Charge (Met Council) (Sewer Availability Charge)                         | \$2,485.00            | Per REC Unit: \$2,485 to Met Council at time of connection.  | Engineering    |
| Sewer Connection Charge  | \$1,000.00            | Per REC Unit collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures.  | Engineering    |
| Sewer Lateral Benefit Charge   | \$11,300.00           | Per REC Unit connecting to a Trunk Sewer Main and that has never been assessed   | Engineering    |
| Sewer Base Charge - Residential - Non 201 Off Site                           | \$53.03 per quarter   | Allowance of 10,000 gallons (10 Units) per quarter   | Administration |
| <b>Sewer Rate</b>  | \$4.55/1,000 Gal      |  | Administration |
| 201 Off-Site Maintenance Fee   | \$75.75/unit/quarter  |  | Administration |
| Real Estate Searches   | \$15.00/Search        | For special assessment or utility search   | Administration |
| Signs - Permanent  | \$180.00              |  | Planning       |
| <b>Signs - Temporary</b>   | \$75.00               |  | Planning       |
| Temporary Renewal  | \$25.00               |  | Planning       |
| Re-inspection Fee  | \$25.00               |  | Planning       |
| Special Event Permit   | \$75.00               | City must be listed as additional insured  | Planning       |
| <b>Surface Water</b>   |                       |  | Administration |
| Residential  | \$55.00               |  | Administration |
| Non-Residential (Commercial etc.)  | \$55.00               | Utility rate factor per code   | Administration |
| Review Fee   | \$137.50              | \$82.50 Review/\$55 Storm Water Fund   | Administration |
| <b>Vacations (Streets or Easements)</b>                                      |                       |  | Planning       |
| Easements  | \$515.00              | \$500 Fee Escrow   | Planning       |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE                 | 2017 FEE     | ADDITIONAL CHARGE, ESCROW or NOTES   | DEPARTMENT     |
|---|--------------|--|----------------|
| Streets                                     | \$515.00     | \$500 Fee Escrow   | Planning       |
| <b>Variance</b>                             | \$750.00     | \$500 Fee Escrow   | Planning       |
| Shoreland Variance                          | \$1,500.00   | \$500 Fee Escrow   | Planning       |
| Water Availability Charge (WAC)             | \$3,000.00   | Per REC Unit; collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. | Engineering    |
| Water Connection Charge                     | \$1,000.00   | Per REC Unit, collected at time of plat for new lot. This fee may be deferred through special assessment for parcels with existing structures. | Administration |
| <b>Water Equipment/Set up</b>               |              |  | Administration |
| Meter (3/4" or less)                        | \$360.50     | Additional fees apply to larger sized meters   | Administration |
| Driveway Curb Stop Lid                      | \$103.00     |  | Administration |
| Disconnect Service                          | \$82.40      |  | Administration |
| Reconnect Service                           | \$82.40      |  | Administration |
| Water Lateral Benefit Charge                | \$5,800.00   | Per REC Unit connecting to a Trunk Water Main and that has never been assessed   | Engineering    |
| <b>Water Usage</b>                          |              |  | Administration |
| Residential - Quarterly Base Rate           | \$20.60 Base |  | Administration |
| Residential - Plus Rate per 1,000 Gallons   |              |  | Administration |
| Plus Rate for 0-15,000 Gallons              | \$2.06       |  | Administration |
| Plus Rate for 15,001-30,000 Gallons         | \$2.47       |  | Administration |
| Plus Rate for 30,001-50,000 Gallons         | \$2.97       |  | Administration |
| Plus Rate for 50,001-80,000 Gallons         | \$3.56       |  | Administration |
| Plus Rate for 80,001 + Gallons              | \$4.27       |  | Administration |
| <b>Water Usage</b>                          |              |  | Administration |
| Commercial - Quarterly Rate                 | \$25.75 Base |  | Administration |
| Commercial - Plus Rate Per 1,000 Gallons    |              |  | Administration |
| Plus Rate for 0 - 15,000 Gallons            | \$3.20       |  | Administration |
| Plus Rate for 15,001 - 30,000 Gallons       | \$3.36       |  | Administration |
| Plus Rate for 30,001 - 50,000 Gallon        | \$3.88       |  | Administration |
| Plus Rate for 50,001 - 80,000 Gallons       | \$5.15       |  | Administration |
| Plus Rate for 80,001 + Gallons              | \$6.83       |  | Administration |
| <b>Water Usage</b>                          |              |  | Administration |
| Hotel / Motel - Quarterly Rate              | \$25.75 Base | For metered non-irrigation (domestic) consumption  | Administration |
| Hotel / Motel - Plus Rate Per 1,000 Gallons |              |  | Administration |
| Plus Rate for 0 -30,000 Gallons             | \$3.20       |  | Administration |
| Plus Rate for 30,001 - 50,000 Gallons       | \$3.36       |  | Administration |



## City of Lake Elmo - 2018 Fee Schedule

| APPLICATION/FEE/PERMIT TYPE   | 2017 FEE                | ADDITIONAL CHARGE, ESCROW or NOTES   | DEPARTMENT     |
|---|-------------------------|--|----------------|
| Plus Rate for 50,001 + Gallons  | \$4.12                  |  | Administration |
| <b>Water Usage Delinquent Accounts</b>  |                         |  | Administration |
| Regular   | 6% per quarter          | Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with taxes | Administration |
| Storm Water   | 10% per year            | Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with taxes | Administration |
| <b>Bulk Water Purchase</b>  |                         |  | Administration |
| Water from Hydrant  | \$103.00 minimum        | Plus \$3.36/additional 1,000 gallons   | Administration |
| Sod Installation (New Construction)   | \$40.00 one-time credit | Applied to utility bill at time of installation  | Administration |
| Wind Generator  | \$850.00                | \$2,000 Fee Escrow   | Planning       |
| Wireless Communication Permit   | \$500.00                | \$6,000 Fee Escrow   | Planning       |
| Zoning Amendment (Text or Map)  | \$1,245.00              | \$2,500 Escrow   | Planning       |
| Zoning Certification Letter   | \$25.00                 |  | Planning       |
| <b>Zoning Permit - Certificate of Zoning Compliance</b>   |                         |  | Planning       |
| Accessory Structures < 200 SF   | \$75.00                 |  | Planning       |
| Fence (less than 6')  | \$75.00                 |  | Planning       |
| Other   | \$75.00                 |  |                |
| <b>Definition of Terms</b>  |                         |  |                |
| <i>*Fee Escrow: City will maintain a fee escrow to cover all City review costs. Application fees include all professional fees and expenses incurred by the City.</i>   |                         |  |                |
| <i>**Security: City will retain a security escrow to ensure completion of work as directed by the approved permit/application and compliance with the State Building Code and the City of Lake Elmo Municipal Code.</i> |                         |  |                |
|   |                         |  |                |
| Considered by City Council - 12-5-17  |                         |  |                |

### 2013 FEE SCHEDULE MODIFICATIONS SUMMARY

|   |   |
|---|---|
| Asphalt/Concrete License  | Item and fee deleted  |
| Fire Suppression License  | Item and fee deleted  |
| Landscaping License   | Item and fee deleted  |
| Fire Alarm Systems  | Fee changed from "\$60; plus \$5.00 surcharge; plus 1% of value" to "1.2% of value; plus \$5.00 surcharge; Minimum \$100" |
| Sprinkler System (Inspection Fee)   | Fee changed from "2% of value" to "1.2% of value; plus \$5.00 surcharge; Minimum \$100"                                   |
| Fines for <b>General Code Violations</b> are as follows:  |   |
| 1 <sup>st</sup> offense   | \$100.00 for each violation   |
| 2 <sup>nd</sup> offense   | \$200.00 for each violation within one year from the first citation   |
| 3 <sup>rd</sup> offense   | \$500.00 for each violation within one year from the first citation   |
| Fines for <b>Building and Safety Code Violations</b> are as follows:  |   |
| 1 <sup>st</sup> offense   | \$100.00 for each violation   |
| 2 <sup>nd</sup> offense   | \$500.00 for each violation within one year from the first citation   |
| 3 <sup>rd</sup> offense   | \$1000.00 for each violation within one year from the first citation  |
| <b>4<sup>th</sup> offense or subsequent offenses</b> may be subject to criminal prosecution or any other legal remedy available to the City. An administrative citation may also be issued independently or concurrent to any other legal action taken by the City. |   |

#### 5/21/2013

|  |                |
|--|----------------|
| Returned Check (NSF)                                 | \$25.00        |
| SAC Charge (City) (Sewer Availability Charge)        | \$3,000.00     |
| SAC Charge (Met Council) (Sewer Availability Charge) | \$2,435.00     |
| Sewer Connection Charge                              | \$1,000.00     |
| Sewer Lateral Benefit Charge                         | \$5,800.00     |
| Water Availability Charge (WAC)                      | \$3,000.00     |
| Water Connection Charge                              | \$1,000.00     |
| Meter (3/4" or less)                                 | \$300.00       |
| Water Lateral Benefit Charge                         | \$5,800.00     |
| Water Usage Delinquent Accounts                      |                |
| Regular  | 6% per quarter |
| Storm Water  | 10% per year   |

#### 7/2/2013

|               |         |
|---------------|---------|
| Free Contract | \$70.00 |
|---------------|---------|

12/16/2015

|  |                       |
|--|-----------------------|
| GIS Scaled Aerial                      | \$25.00               |
| <b>Easement Encroachment</b>           | \$150.00              |
| <b>Fuel Tank Removal (Underground)</b> | \$250.00              |
| Inspection outside of business hours   | \$100.00 (2 Hr. Min.) |
| Cancelled or Refunded Permits          | \$25.00               |
| <del>Scaled Aerial Drawing</del>       | <del>\$15.00</del>    |
| <del>Site Plan Review</del>            | <del>\$980.00</del>   |
| <b>Surface Water</b>                   |                       |
| Review Fee                             | \$125.00              |
| <b>Zoning Certification Letter</b>     | \$25.00               |
| Meter (3/4" or less)                   | \$350.00              |

|  |                |
|--|----------------|
|  | Administration |
| Per REC Unit: collected at time of plat for new lot or at time of connection for existing. | Engineering    |
| Per REC Unit: \$2,435.00 to Met Council at time of connection.                             | Engineering    |
| Per REC Unit   | Engineering    |
| Per REC Unit connecting to a Trunk Sewer Main and that has never been assessed             | Engineering    |
| Per REC Unit; collected at time of plat for new lot or at time of connection for existing. | Engineering    |
| Per REC Unit   | Administration |
| Additional fees apply to larger sized meters   | Administration |
| Per REC Unit connecting to a Trunk Water Main and that has never been assessed             | Engineering    |
|  | Administration |
| Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with taxes | Administration |
| Plus \$25.00 or 8%, whichever is greater, if certified to County for collection with taxes | Administration |

|  |           |
|--|-----------|
|  | Licensing |
|--|-----------|

|  |                |
|--|----------------|
|  | Administration |
| Staff & Recording Fee                  | Planning       |
| Plus \$5.00 Surcharge (State Mandated) | Administration |
|  | Building       |
|  | Building       |
|  | Planning       |
|  | Planning       |
|  | Administration |
| \$75 Review/\$50 Storm Water Fund      | Administration |
|  | Planning       |
|  | Administration |

## 2014 FEE SCHEDULE MODIFICATIONS SUMMARY

| APPLICATION/FEE/PERMIT TYPE                          | 2013 FEE                        | ESCROW OR ADDITIONAL CHARGE   | MODIFICATION  |
|--|---------------------------------|---|---|
| Copies (B&W)   | \$0.25 per page                 | <del>100 pages or more are charged at actual cost of production</del>                       | Clarified to reflect state law.                             |
| Copies (Color)                                       | \$0.50 per page                 | <del>100 pages or more are charged at actual cost of production</del>                       | Clarified to reflect state law.                             |
| Copies (B&W) 11x17                                   | \$1.00 per page                 | <del>100 pages or more are charged at actual cost of production</del>                       | Clarified to reflect state law.                             |
| Copies (Color) 11x17                                 | \$2.00 per page                 | <del>100 pages or more are charged at actual cost of production</del>                       | Clarified to reflect state law.                             |
| Data DVD Fee   | <del>\$15.00</del>              |   | New fee. Previously included in Video Reproduction fee.     |
| City Street Maps (36x40)                             | <del>\$20.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Plan Size Maps (Larger than 11x17)                   | <del>\$20</del> <u>\$15</u>     |   | Fee lowered \$5.00.   |
| Code Book  | <del>\$160.00</del>             |   | Eliminated separate fee. Follow general fee rate.           |
| Code Book Sections 1,2,4,6-12,14                     | <del>\$12.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Code Book Section 3                                  | <del>\$52.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Code Book Sections 5 & 13                            | <del>\$27.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Comprehensive Plan                                   | <del>\$125.00</del>             |   | Eliminated separate fee. Follow general fee rate.           |
| OP Ordinance   | <del>\$12.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Parks Plan   | <del>\$80.00</del>              |   | Eliminated separate fee. Follow general fee rate.           |
| Video reproduction                                   | <del>\$10.00</del>              |   | Fee lowered \$25.00.  |
| Dog License- late fee                                | \$2.50 per month                | <u>Maximum \$10</u>   | Maximum amount clarified.                                   |
| Service Dogs License                                 | <del>\$5</del> <u>No Charge</u> |   | Eliminated fee.   |
| Application Fee                                      | \$100.00                        | <u>Fee includes one Therapist</u>   | Clarified policy to reflect intention of ordinance.         |
| Massage Therapy Premises License Renewal             | \$50.00                         | <u>Fee includes one Therapist</u>   | Clarified policy to reflect intention of ordinance.         |
| Massage Therapy License Amendment                    | <del>\$50</del> <u>\$25</u>     |   | Fee lowered \$25.00.  |
| SAC Charge (Met Council) (Sewer Availability Charge) | <del>\$2435</del> <u>\$2485</u> | Per REC Unit: <del>\$2,435.00</del> <u>\$2,485.00</u> to Met Council at time of connection. | Metropolitan Council raised fee by \$50 effective 1/1/2014. |
| Sod Installation (New Construction)                  | <u>\$61.20 1st 5,000 Gal</u>    | <u>Up to 45 days. Resident must contact city in advance.</u>                                | New fee.  |

## 2015 FEE SCHEDULE MODIFICATIONS SUMMARY

| APPLICATION/FEE/PERMIT TYPE                 | 2014 FEE             | 2015 FEE           | NOTES                              | MODIFICATION  |
|---|----------------------|--------------------|------------------------------------|---|
| Appeal (to Board of Adjustment and Appeals) | \$150.00             | \$250.00           |                                    | Increased to more accurately reflect staff time and cost to city.   |
| Cancelled or Refunded Building Permits      | \$25.00              | \$25.00            |                                    | Clarified that refunded permits are also subject to fee.  |
| Duplicate Inspection Card                   | N/A                  | \$25.00            |                                    | New Fee. Staff previously did not collect for this service. Most communities do.  |
| Easement Encroachment                       | \$100.00             | \$150.00           | Includes Recording Fee             | Increased to more accurately reflect staff time and cost to city including recording costs.                               |
| GIS Scaled Aerial Map                       | \$15.00              | \$25.00            |                                    | Increased to more accurately reflect staff time and cost to city.   |
| Inspection outside of business hours        | \$70.00 (2 Hr. Min.) | \$100 (2 Hr. Min.) |                                    | Increased to more accurately reflect staff time and cost to city. Also encourages inspections during city business hours. |
| Scaled Aerial Drawing                       | \$15.00              | N/A                |                                    | Eliminated separate fee. Follow general schedule.   |
| Site Plan Review                            | \$980.00             | N/A                |                                    | Eliminated separate fee. Follow general schedule.   |
| Surface Water Review Fee                    | N/A                  | \$125.00           | \$75 Review/\$50 Storm Water Fund. | New Fee. This one-time fee only applies to new construction to monitor impact to storm ponds.                             |
| Water Meter (3/4" or less)                  | \$300.00             | \$350.00           |                                    | Increased to reflect actual cost to city.   |
| Zoning Certification Letter                 | N/A                  | \$25.00            |                                    | New Fee. Staff previously did not collect for this service. Most communities do.  |



## STAFF REPORT

DATE: 12/5/17

**REGULAR**

ITEM #: 18

**TO:** City Council  
**FROM:** Emily Becker, Planning Director  
**AGENDA ITEM:** Comprehensive Plan Amendment and Zoning Text Amendment  
Amending Open Space Preservation Language Regarding Density  
**REVIEWED BY:** Kristina Handt, City Administrator

---

### **BACKGROUND:**

The Council considered a request by Landucci Homes, Inc. (Nathan Landucci) for a Comprehensive Plan and Zoning Text Amendment amending language regarding allowable density within Open Space Preservation Planned Unit Developments at its meeting on November 7, 2017. The applicant had requested to table the item until he was available to attend the meeting.

### **ISSUE BEFORE COUNCIL:**

The Council is being asked to consider the request to amend language regarding allowable density within Open Space Preservation developments within the City.

### **PROPOSAL DETAILS/ANALYSIS:**

The Staff Report from the November 7, 2017 Council meeting is attached for reference.

### **FISCAL IMPACT:**

An increased number of lots may be created with the proposed amendments to the language within the Comprehensive Plan and Zoning Code, which could increase tax revenue but also increase need for essential services.

### **RECOMMENDATION:**

Staff and the Planning Commission recommend that Council adopt Resolution 2017-123 denying the proposed Comprehensive Plan Amendment to amend language regarding density for Open Space Preservation developments.

***“Move to adopt Resolution 2017-123 denying the proposed Comprehensive Plan Amendment regarding density for Open Space Preservation developments.”***

Staff and the Planning Commission recommend that the Council adopt Resolution 2017-124 denying the proposed Comprehensive Plan and Zoning Text amendment regarding density for Open Space Preservation developments.

*“Move to adopt Resolution 2017-124 denying the proposed Zoning Text Amendment regarding density for Open Space Preservation developments.”*

**ATTACHMENTS:**

- 11/7/17 meeting packet (regarding subject request)
- Resolutions 2017-123 and 2017-124



## STAFF REPORT

DATE: 11/7/2017

**REGULAR**

ITEM #: 16

**TO:** City Council  
**FROM:** Emily Becker, Planning Director  
**AGENDA ITEM:** Comprehensive Plan Amendment and Zoning Text Amendment  
Amending Open Space Preservation Language Regarding Density  
**REVIEWED BY:** Joan Ziertman, Planning Program Assistant  
Ben Prchal, City Planner

---

### **BACKGROUND:**

The City has received an application from Landucci Homes, Inc. (Nathan Landucci) for a Comprehensive Plan and Zoning Text Amendment amending language regarding allowable density within Open Space Preservation Planned Unit Developments. The current language in both the Comprehensive Plan and City's Zoning Code indicates that densities in such developments are allowed up to 0.45 dwelling units per buildable acre or 18 units per 40 buildable acres. The Applicant is requesting that density be based on gross acreage.

### **ISSUE BEFORE COUNCIL:**

The Council is being asked to consider the request to amend language regarding allowable density within Open Space Preservation developments within the City.

### **PROPOSAL DETAILS/ANALYSIS:**

#### **COMPREHENSIVE PLAN AMENDMENT**

**Reason for Request.** The Applicant has indicated on the application that if Legends of Lake Elmo, which received Concept Plan approval by the City on March 2, 2016, was developed under the current Open Space Preservation Planned Unit Development ordinance and Comprehensive Plan language, it would be underutilized, underdeveloped and have a disproportionate amount of road, as the site has 17 acres out of 110 acres of land. The Applicant has also stated that wetlands are sought after for buffers, land preservation, privacy, animal and plant habitat and an overall attractive and diversified environment. The Applicant feels that the request "levels the playing field" between land that has no wetlands and land that have some or no wetlands. The Applicant also demonstrates in the application that Legends of Lake Elmo, had it had no wetlands, would be able to develop 50 homes as opposed to 40 homes with no wetlands.

- *Example 1: Land with no wetlands*
  - Gross acreage: 110 acres
  - Buildable acreage: 110 acres
  - Wetland acreage: 0 acres
  - Number of units allowed: 50 homes
  - Open space breakdown: 55 acre fields

- *Example 2: Legends of Lake Elmo*
  - Gross acreage: 110 acres
  - Buildable acreage: 93 acres
  - Wetland acreage: 17 acres
  - Number of units allowed: 41 homes
  - Open space breakdown: 38 acre fields, 17 acres of wetlands

**History.** The City’s Open Space Preservation Ordinance was adopted in 2001 and has undergone a number of amendments, the most recent set of amendments adopted on October 4, 2016 after a number of both Planning Commission and City Council meetings. No amendment to the allowable density was proposed or made during this amendment, however, due to Comprehensive Plan language indicating that the allowable density in an Open Space Preservation development is 0.45 dwelling units per acre. One of the amendments that was adopted was that open space calculations were changed from 50% buildable area to 50% gross area.

**Exact Language of the Comprehensive Plan.** The exact language and proposed change to the Comprehensive Plan is below:

**RURAL AREA DEVELOPMENT** – This category represents the large areas of rural residential development within the City. Common uses found in these areas include working farms, alternative agricultural uses as defined by City Code, and rural single family detached residences. Development in these areas requires 10+ acres, or a conditional use permit to authorize a cluster development meeting the City’s Open Space Preservation regulations. Densities are allowed up to 0.45 dwelling units per buildable acre, based on gross acreage, when planned as part of an Open Space Preservation development. No new areas of rural area development are being established by the official land use plan. [Corresponding Zoning District(s): A, RR, OP]

**Preserved Open Space.** The Minnesota Land Trust holds conservation easements to protect a variety of lands and focuses its efforts on relatively undisturbed natural habitat, the shoreline of lakes, rivers and streams, and scenic landscapes, particularly those with local significance. The Applicant has submitted a Concept Plan for an Open Space Development within the City with open space which the Minnesota Land Trust has communicated would not be interested in holding. This is not necessarily directly related to the requested Comprehensive Plan and Zoning Text Amendments, however, it may be important to note that the Comprehensive Plan Advisory Panel has previously discussed that if the City holds a conservation easement (which it is allowed to do under the OP ordinance), that due to the City’s conservative amount of Staff, that Homeowners’ Associations could possibly aid in enforcement of the conservation easement. An increase in the number of homes allowed within an OP development may increase the chances for violations of the conservation easement.

**Net Density.** Density is usually calculated as net density. The Metropolitan Council calculates density using net density when calculating density required for sewer areas. By their standards, the following can be netted out from gross acres when calculating density: wetlands and water bodies, public parks and open space, arterial road rights-of-way, and other areas protected from development by local ordinance. While open space preservation developments are not sewer and are not subject to these stipulations, the City should consistently calculate density, and calculating wetlands in the allowed density would create possible inconsistency.

**Metropolitan Council Flexible Residential Development Ordinance Guidelines for the Diversified Rural Area.** The Metropolitan Council planning strategies for Diversified Rural Areas calls for communities in those areas to have land use plans that “accommodate growth not to exceed forecasts and clustered development not to exceed 1 unit per 10 acres.” The Council recognizes that communities have ordinances that allows for densities that will severely limit the ability of some communities to achieve (in

the future) the minimum density of at least three units per net developable residential acre that is necessary for future cost-effective and efficient regional wastewater treatment services.

The Council does recognize, however, that there are areas of the community that may not be suitable for future urbanization as the capability of the land to support development is low and constrained and has developed guidelines for these developments. One of the guidelines is that the ordinance should define lands that are considered buildable, as these lands are considered the most suitable for development. Removing lands that are restricted due to federal and state regulations, as well as any features that the local government has defined for protection or conservation, will allow the community to preserve sensitive natural features and to ensure the availability of land to accommodate future development. Without specifying types of lands that are required for future development, many communities have inadvertently encouraged large lot development in which private lots often consume most of the developable land and leave little remaining developable acreage. The guidelines generally discourage future development of rural residential patterns (unsewered lots of 2.5 acres or less). As previously mentioned, the Open Space Preservation ordinance was already amended so that 50% of the gross acreage of an Open Space Development can be preserved as opposed to 50% of the buildable area, which already goes against these guidelines. Therefore, requesting any further density change within rural areas may not be amenable to these guidelines.

**Comprehensive Plan Update.** It should be considered that the City is undergoing a required Comprehensive Plan update. A number of changes may be made to the overall vision of the City. One of these changes that has been mentioned a number of times in the past is allowing 2.5 acre parcels in Rural Residential and Agricultural zoning districts, which at this time require a maximum density of one unit per 10 acres and one unit per 40 acres, respectively. Additionally, this change would affect a number of properties, as shown in the attached map that outlines properties that are over 20 acres in size and are zoned Agricultural, Rural Residential, or Residential Estates and are therefore eligible to develop through the Open Space Preservation Planned Unit Development Ordinance. The ordinance would affect up to 58 parcels and approximately 6,062 acres of property within the City. Assuming 15% of this acreage were wetlands, assuming an allowed density of 0.45 units per acre, the amount of units that could increase based on gross vs. buildable would be as follows:

|   |             |
|---|-------------|
| <b>Gross Acreage</b>                              | 6,062 acres |
| <b>Wetland Acreage</b>                            | 909 acres   |
| <b>Buildable Acreage</b>                          | 5,153 acres |
| <b>Number of Units Based on Buildable Acreage</b> | 2,318 units |
| <b>Number of Units Based on Gross Acreage</b>     | 2,723 units |

Therefore, the number of units that could potentially increase with this change (assuming 15% unbuildable land; this has not been verified) would be 405 units, totalling 2,723 units that could be added through Open Space Preservation developments throughout the City. As per the City's 2015 systems statement, the City is only projected to increase its number of unsewered households by 3,379 by the year 2040.

| Forecast Year | Forecast Component | Population | Households | Employment |
|---------------|--------------------|------------|------------|------------|
| 2010          | MCES Sewered       | 0          | 0          | 623        |
| 2010          | Unsewered          | 8,061      | 2,776      | 1,318      |
| 2020          | MCES Sewered       | 3,712      | 1,359      | 2,338      |
| 2020          | Unsewered          | 6,788      | 2,441      | 562        |
| 2030          | MCES Sewered       | 6,960      | 2,540      | 2,788      |
| 2030          | Unsewered          | 7,140      | 2,760      | 562        |
| 2040          | MCES Sewered       | 10,208     | 3,721      | 3,238      |
| 2040          | Unsewered          | 7,992      | 3,379      | 562        |

**Adjacent Cities Review.** The Metropolitan Council advised that Staff send out adjacent review to cities directly abutting potentially affected parcels. Stillwater Township and Baytown Township responded that they see have no comments about the proposed change and that the Open Space Development ordinances in those two townships have both used gross acres to calculate densities.

**Increased Traffic and Other Standards of the OP Ordinance.** The potential increase in homes could lead to a significant increase in traffic counts. Currently, the City is undergoing a study for potential options for Highway 36, and this increase has not been factored in. Additionally, with all of the other standards of the OP Ordinance including but not limited to: minimum lot size requirement (one acre lots for those being served by individual septic systems and half acre lots for those being served by community septic systems); required buffers from adjacent lands; required setbacks from waterbodies and non-buildable land; setbacks; placement of streets; open space requirements; etc. will still need to be met unless approved by a 4/5 (super-majority) vote.

**Comprehensive Plan Advisory Panel.** The Comprehensive Plan Advisory Panel held a meeting in July of 2017 discussing Rural Residential trends. During this meeting, a brief discussion was held regarding density in open space developments. During this discussion, there was no substantial conclusion to this, but there was desire by the group to allow this. As such, the Applicant is requesting the amendment now in order to bring focus to the issue and not have to wait until the Comprehensive Plan is officially adopted and approved by the Metropolitan Council. Because of the potentially significant impact on the City's population and the substantial number of parcels and acreage within the City that the proposed amendments would affect, Staff would recommend that the Planning Commission table the request and request direct input from the Comprehensive Plan Advisory Panel on this proposed change. Ultimately, the Planning Commission may wish to recommend denial provided the issue may be best considered within the context of all land use changes currently under consideration. The next Comprehensive Plan Advisory Panel meets on October 25, 2017, and this item can be discussed briefly at this meeting.

## ZONING TEXT AMENDMENT

**Consistency with the Comprehensive Plan.** If the Council denies the proposed Comprehensive Plan Amendment, they should also deny the Zoning Text Amendment. If the Council wishes to approve the proposed Comprehensive Plan Amendment, the proposed Zoning Text Amendment should be reviewed for consistency with the Comprehensive Plan and current Open Space Preservation Planned Unit Development Ordinance.

**Consistency with the Comprehensive Plan.** If the Comprehensive Plan Amendment is approved, the proposed Zoning Text Amendment to Section 154.657: Open Space PUD Design, Section (A) would be as follows:

### **A. Density**

The maximum dwelling unit density within an open space planned unit development shall be 18 units per 40 gross acres of ~~buildable land on~~ the undeveloped parcel; however, the total number of dwelling units shall not exceed the density limitations contained in the Comprehensive Plan for Open Space Preservation Development.

Provided the Comprehensive Plan Amendment is approved, this would be consistent with the density of 0.45 units per acreage based on gross acreage.

**Intent of the Open Space Planned Unit Development Ordinance.** The intent of the Open Space Planned Unit Developments is as follows. The Planning Commission should specifically consider whether increasing the allowable density to 0.45 units per acre of the developments gross acreage as opposed to buildable acreage would alter the intent of this ordinance or of the Comprehensive Plan. Also included below are responses to how the proposed change would affect the intent of the ordinance:

- A. A variety of lot configurations and housing styles that may or may not otherwise exist within the City's rural areas;
  - *Staff Comment:* An increased number of units would likely have no effect on this intent.
- B. An avenue to provide a development density equal to or greater than what could be achieved via underlying zoning;
  - *Staff Comment:* The allowed density (provided the area had wetlands) would be increased by the proposed amendment. The proposed amendment would make no difference to properties that have acreage that is not buildable.
- C. A reduction in the costs to construct and maintain public facilities and infrastructure in a rural setting;
  - *Staff Comment:* Allowing density to be based on gross acreage would increase the number of homes allowed within a development that had unbuildable acreage and therefore would reduce costs for a developer.
- D. Protected open space to enhance and preserve the natural character of the community;
  - *Staff Comment:* The applicant is not proposing to change the amount of preservation of the open space within a development.
- E. The creation of distinct neighborhoods that are interconnected within rural areas
  - *Staff Comment:* The proposed amendment would likely not have an effect on interconnectivity.
- F. To preserve large continuous open spaces.
  - *Staff Comment:* The applicant is not proposing to reduce the amount of open space. The amendment to the Open Space Planned Unit Development ordinance back in 2016 amended the required amount of open space, allowing the open space to be calculated by gross acreage rather than buildable acreage.

**Planning Commission Review.** The Planning Commission held a public hearing and reviewed the proposed Comprehensive Plan Amendment and Zoning Text Amendment on October 23, 2017. The Planning Commission had the following findings in regards to the proposal:

1. The proposed density calculation is not consistent with that of the City (density within sewerer developments is calculated using net density whereas the proposed amendment calculates density using gross density).
2. The current language regarding density within the Comprehensive Plan Open Space Preservation Planned Unit development ordinance helps protect natural resources by limiting allowed density to buildable acres.

3. A lower density within Open Space Preservation developments minimizes risk for septic systems to fail and thereby minimizes the need to connect to City sewer.

There was also concern about management of open space within an OP Development that was discussed earlier in this report. The Planning Commission felt it necessary that the City needs to be better prepared to manage open space easements when the Minnesota Land Trust will not accept them.

Based on the above findings, the Planning Commission recommended denial of the proposed Comprehensive Plan and Zoning Text Amendments regarding density within Open Space Preservation developments

**FISCAL IMPACT:**

An increased number of lots may be created with the proposed amendments to the language within the Comprehensive Plan and Zoning Code, which could increase tax revenue but also increase need for essential services.

**RECOMMENDATION:**

Staff and the Planning Commission recommend that Council adopt Resolution denying the proposed Comprehensive Plan Amendment to amend language regarding density for Open Space Preservation developments.

*“Move to adopt Resolution 2017-123 denying the proposed Comprehensive Plan Amendment regarding density for Open Space Preservation developments.”*

Staff and the Planning Commission recommend that the Council adopt Resolution 2017- denying the proposed Comprehensive Plan and Zoning Text amendment regarding density for Open Space Preservation developments.

*“Move to adopt Resolution 2017-124 denying the proposed Zoning Text Amendment regarding density for Open Space Preservation developments.”*

**ATTACHMENTS:**

- Comprehensive Plan and Zoning Text Amendment application and Narrative
- Map showing properties that are of 20 acres or more and zoned Rural Residential, Residential Estates and Agricultural (properties eligible to be developed as and Open Space Preservation Planned Unit Development)
- Resolution 2017-123 denying proposed Comprehensive Plan Amendment regarding Open Space Preservation development density
- Resolution 2017-124 denying proposed Zoning Text Amendment regarding Open Space Preservation development density

Date Received: 5/15/17  
Received By: SN  
Permit #: \_\_\_\_\_



651-747-3900  
3800 Laverne Avenue North  
Lake Elmo, MN 55042

### LAND USE APPLICATION

- Comprehensive Plan  Zoning District Amend  Zoning Text Amend  Variance\*(see below)  Zoning Appeal
- Conditional Use Permit (C.U.P.)  Flood Plain C.U.P.  Interim Use Permit (I.U.P.)  Excavating/Grading
- Lot Line Adjustment  Minor Subdivision  Residential Subdivision Sketch/Concept Plan
- PUD Concept Plan  PUD Preliminary Plan  PUD Final Plan  Wireless Communications



Applicant: Landucci Homes, Inc. (Nathan Landucci)  
Address: 13230 20th St. Ct. N., Stillwater, MN 55082  
Phone #: 651-894-2582  
Email Address: LANDUCNL@hotmail.com

Fee Owner: Same as above  
Address: " "  
Phone #: " "  
Email Address: " "

Property Location (Address): XXX 50th St. N., Lake Elmo, MN 55042  
(Complete (long) Legal Description: See attached

PID#: See attached

Detailed Reason for Request: See attached



\*Variance Requests: As outlined in Section 301.060 C. of the Lake Elmo Municipal Code, the applicant must demonstrate practical difficulties before a variance can be granted. The practical difficulties related to this application are as follows:  
See attached

In signing this application, I hereby acknowledge that I have read and fully understand the applicable provisions of the Zoning ordinance and current administrative procedures. I further acknowledge the fee explanation as outlined in the application procedures and hereby agree to pay all statements received from the City pertaining to additional application expense.

Signature of applicant: [Signature] Date: 5/10/17 9/21/17  
Signature of fee owner: [Signature] Date: 5/10/17 9/21/17

**Land Use Application: Comprehensive Plan/ Zoning Text Amendment**

**PID#:** 01.029.21.42.0003

**Acreage:** 50.03 acres

**Legal Description:** THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 29, RANGE 21, WASHINGTON COUNTY, MINNESOTA, EXCEPT THE SOUTH 1725.00 FEET OF THE EAST 505.00 FEET OF SAID WEST HALF OF THE SOUTHEAST QUARTER AND ALSO EXCEPT THAT PART OF SAID WEST HALF OF THE SOUTHEAST QUARTER, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTH 1725.00 FEET OF THE EAST 505.00 FEET; THENCE NORTH 0 DEGREES 21 MINUTES 51 SECONDS WEST, ALONG THE WEST LINE OF SAID SOUTH 1725.00 FEET OF THE EAST 505.00 FEET, A DISTANCE OF 1040.00 FEET; THENCE SOUTH 89 DEGREES 38 MINUTES 09 SECONDS WEST, A DISTANCE OF 588.00 FEET; THENCE SOUTH 0 DEGREES 21 MINUTES 51 SECONDS EAST, A DISTANCE OF 213.00 FEET; THENCE SOUTH 34 DEGREES 10 MINUTES 25 SECONDS EAST A DISTANCE OF 517.61 FEET; THENCE SOUTH 0 DEGREES 21 MINUTES 51 SECONDS EAST A DISTANCE 400.00 FEET TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER; THENCE NORTH 89 DEGREES 02 MINUTES 53 SECONDS EAST A DISTANCE OF 300.00 FEET TO THE POINT OF BEGINNING. SUBJECT TO NORTHERN NATURAL GASS COMPANY PIPELINE EASEMENT PER DOCUMENT NO. 3797430 AND DOCUMENT NO. 3797431 AND SUBJECT TO 50TH STREET NORTH. SECTION 01 TOWNSHIP 029 RANGE 021

**PID#:** 01.029.21.41.0001

**Acreage:** 40 acres

**Legal Description:** NE1/4-SE1/4 SECTION 01 TOWNSHIP 029 RANGE 021

**PID#:** 01.029.21.43.0001

**Acreage:** 20 acres

**Legal Description:** PART W1/2-SE1/4 BEING S 1725.06FT OF E 505FT SUBJ TO EASE FOR RDWY SECTION 01 TOWNSHIP 029 RANGE 021

**Detailed Reason for Request:** Property is negatively impacted by wetlands though current OP ordinance which states density is based on "buildable" land area vs. "gross" land area. Many cities base density on "gross" acreage not "buildable" acreage, especially when provisions for 50% open space and park dedication instruments are in place.

**Variance Requests: As outlined in Section 301.060 C. of the Lake Elmo Municipal Code, the applicant must demonstrate practical difficulties before a variance can be granted. The practical difficulties related to this application are as follows:** If the proposed land was to be developed under the current OP ordinance, it would be underutilized, underdeveloped and have a disproportionate amount of road. This would occur due to the wetlands under the OP ordinance do not count toward open space, making them useless to any OP development. Since the Legends site is comprised of 110 acres but has 17 acres of wetland, it essentially becomes a 93 acre project, yet roads, grading, utilities, etc extend though the full 110 acres, making developing any land with wetlands an unreasonable venture vs. building on land without any wetlands. When in fact wetlands are very sought after for buffers, land preservation, privacy, animal and plant habitat and an overall attractive and diversified environment that interest homeowners in neighborhoods like the Proposed Legends of Lake Elmo. This

MAY 15 2017

CITY OF LAKE ELMO

application is seeking to level the playing field between land that has no wetlands and land that has some wetlands, examples below to illustrate this point:

Example 1: Land with no wetlands

Gross acres: 110 acres

Buildable acres: 110 acres

Wetland acres: 0 acres

Number of homesites allowed: **50 homes**

Open space breakdown: 55 acres fields

Example 2: Legends of Lake Elmo

Gross acres: 110 acres

Buildable acres: 93 acres

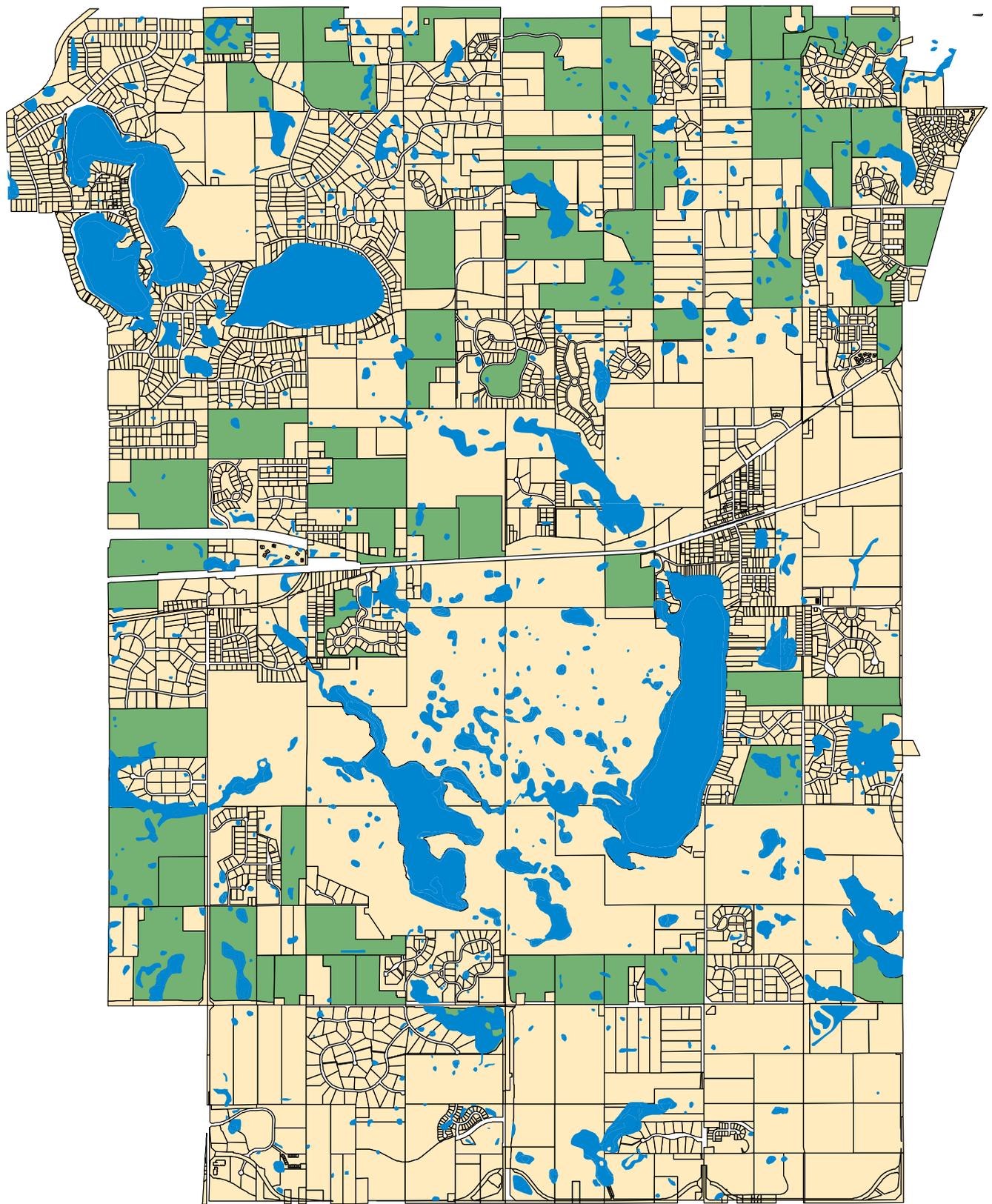
Wetland acres: 17 acres

Number of homesites allowed: **40 homes**

Open space breakdown: 38 acres fields; 17 acres wetland

Homeowners would prefer open space comprised of a combination of fields and wetlands as opposed to just fields. Current ordinance never factored for land that has +/- 15% of wetlands because ultimately it is making the most desirable developable land unattractive/unbuildable to a developer.





## ***Properties Zoned A, RR or RE & 20+ Acres***



Data Source: Washington County, MN  
10.11.17

-  Zoned A, RR, and RE 20+ acres
-  Water Bodies/Wetlands



**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-123**

*A RESOLUTION DENYING A COMPREHENSIVE PLAN AMENDMENT TO CHANGE  
LANGUAGE REGARDING ALLOWED OPEN SPACE PRESERVATION DEVELOPMENT  
DENSITY*

**WHEREAS**, the City of Lake Elmo (the “City”) has established a Comprehensive Plan that provides a compilation of background data, policy statements, standards, and maps, which help to guide the future physical, social, and economic development of the City; and

**WHEREAS**, Landucci Homes, Inc., 13230 20<sup>th</sup> Street Court North, Stillwater, MN 55082 (the “Applicant”) has submitted an application to the City to amend the Comprehensive Plan, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the Applicant has requested to amend language regarding allowable density within Open Space Preservation developments to be based on gross acreage rather than buildable.

**WHEREAS**, the Planning Commission held a public hearing on October 23, 2017 to consider the Applicant’s requests; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant’s requests based on a number of findings; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant’s requests at its meeting on November 7, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is not consistent with the spirit and intent of the Comprehensive Plan.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS.**

1. That the Applicant has submitted a request to amend the Comprehensive Plan in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Comprehensive Land Use Plan:
  - a. On page III-8, updating language regarding densities within Open Space Preservation to be based on gross rather than buildable acreage.

3. The proposed density calculation is not consistent with that of the City (density within sewer developments is calculated using net density whereas the proposed amendment calculates density using gross density).
4. The current language regarding density within the Comprehensive Plan Open Space Preservation Planned Unit development ordinance helps protect natural resources by limiting allowed density to buildable acres.
5. A lower density within Open Space Preservation developments minimizes risk for septic systems to fail and thereby minimizes the need to connect to City sewer.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby denies the request by Landucci Homes, Inc. to amend the City of Lake Elmo Comprehensive Plan by amending language regarding allowable densities within Open Space Preservation developments.

Passed and duly adopted this 5th day of December 2017, by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-124**

*A RESOLUTION DENYING A ZONING TEXT AMENDMENT TO AMEND THE CITY'S OPEN SPACE PLANNED UNIT DEVELOPMENT ORDINANCE BY AMENDING LANGUAGE REGARDING ALLOWABLE DENSITY*

**WHEREAS**, the City of Lake Elmo (the "City") is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, Landucci Homes, Inc., 13230 20<sup>th</sup> Street Court North, Stillwater, MN 55082 (the "Applicant") has submitted an application to the City to amend the City's Zoning Code, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the Applicant has requested to amend language regarding allowable density within Open Space Preservation developments to be based on gross acreage rather than buildable.

**WHEREAS**, the Planning Commission held a public hearing on October 23, 2017 to consider the Applicant's requests; and

**WHEREAS**, the Planning Commission adopted a motion to recommend denial to the City Council on the Applicant's requests based on a number of findings; and

**WHEREAS**, the City Council reviewed the Planning Commission and public comments regarding the Applicant's requests at its meeting on November 7, 2017; and

**WHEREAS**, the City Council has reviewed the Comprehensive Plan amendment and believes that it is not consistent with the spirit and intent of the Comprehensive Plan.

**NOW THEREFORE BE IT RESOLVED** based upon the testimony elicited and information received, the City Council makes the following findings of fact:

**FINDINGS.**

1. That the Applicant has submitted a request to amend the City's Zoning Code in accordance with the procedures as established by the Lake Elmo Planning Department and Lake Elmo Planning Commission; and
2. That the request is to amend the Zoning Code:
  - a. Section 154.657 (A): Open Space PUD Design, Density by amending language regarding allowable density from buildable acreage to gross acreage.
3. The proposed density calculation is not consistent with that of the City (density within sewerer developments is calculated using net density whereas the proposed amendment calculates density using gross density).

4. The current language regarding density within the Comprehensive Plan Open Space Preservation Planned Unit development ordinance helps protect natural resources by limiting allowed density to buildable acres.
5. A lower density within Open Space Preservation developments minimizes risk for septic systems to fail and thereby minimizes the need to connect to City sewer.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the Lake Elmo City Council hereby denies the request by Landucci Homes, Inc. to amend the City of Lake Elmo Comprehensive Plan by amending language regarding allowable densities within Open Space Preservation developments.

Passed and duly adopted this 5th day of December 2017, by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk



## **STAFF REPORT**

DATE: December 5, 2017

**REGULAR**

ITEM #: 19

**MOTION**

**TO:** City Council

**FROM:** Emily Becker, Planning Director

**AGENDA ITEM:** Hidden Meadows 2<sup>nd</sup> Addition Development Agreement

**REVIEWED BY:** Jack Griffin, City Engineer  
Sarah Sonsalla, City Attorney  
Kristina Handt, City Administrator

---

### **BACKGROUND:**

On July 5, 2017, the City Council adopted Resolution 2017-073 approving the Final Plat of Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition. The Council had denied an extension request for the Final Plat at its September 5, 2017 meeting, and RM Investments, LLC & Mpls Re, LLC have since met all the conditions of Final Plat approval except for an executed Development Agreement, which needs to be done prior to recording the final plat with Washington County.

### **ISSUE BEFORE COUNCIL:**

The City Council is being asked to adopt Resolution 2017-138 approving the Developer Agreement for Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition.

### **REVIEW/ANALYSIS:**

A condition of approval of the Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition Final Plat is that the developer enter into a Developer's Agreement prior to the execution of the plat by City officials. Staff has drafted this Developer Agreement which is attached for consideration by the City Council. The key aspects of the agreement include the following components:

- The Developer provide executed warranty deeds to the City for recording for Outlots F and G.
- Legal documents regarding homeowner association documents, covenants, and restrictions are to be submitted, reviewed, and approved by the City Attorney.
- That all public improvements be completed per the phasing plan by October 31, 2020, with the exception of the final wear course of asphalt on streets. Usually this date is October of the year of the agreement, but the developer is planning to construct in phases, and so this time period has been extended.

- The developer is to pay a parkland dedication fee of \$84,000 in lieu of dedicated parkland. The purchase agreement indicates that the purchase price of the property is \$1,200,000, and the zoning district in which the development is located requires 7% of the land of the entire subdivision to be dedicated towards parkland, or a fee in lieu of land. 7% of \$1,200,000 is \$84,000.
- Two building permits for model homes.
- The developer is to replace the septic system on Lot 1 Block 1 per the condition of Final Plat approval.
- That the developer enter in to an encroachment agreement with the City assigning responsibility for the maintenance of retaining walls in Kelvin Avenue North and 57<sup>th</sup> Street North right-of-way to the homeowners' association.
- The Developer shall pay a \$4,000 escrow to ensure proper cleanup of the dump site.
- The Developer shall pay a cash contribution of \$50,000 for the future maintenance costs of 2 of the 3 lift stations.
- The Developer shall enter in to a conservation easement agreement with the City over Outlots B, C, D, F, G, H and I and reimburse the City \$20,000 for maintenance costs associated with this easement. The Minnesota Land Trust charges \$35,000 to \$45,000 for a conservation easement fee, depending on the size of the easement. The City does not currently have such a fee on the fee schedule, however, there will be significant cost associated with the monitoring and enforcement of this easement in perpetuity, and so the City should recover these costs with this Development Agreement.

The Development Agreement will not be executed until the final construction plans are approved, all fees and securities, and insurance certificates are received among other requirements. Only after recording of the final plat and the completion of a pre-construction meeting with the City can the construction commence.

**FISCAL IMPACT:**

The future financial impacts include maintenance of streets, trails, sanitary sewer mains, watermains, and other public infrastructure, maintenance of storm water ponding areas (after warranty period), monthly lease payments for street lights, and other public financial responsibilities typically associated with a new development. The City will collect building permit fees, Water Accessibility Charges and property taxes for the 25 lot single family residential subdivision.

**OPTIONS:**

The City Council has the following options:

- 1) Adopt Resolution 2017-138 approving the Development Agreement for Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition; or
- 2) Direct Staff to amend the draft Development Agreement to bring back to a future City Council meeting.

**RECOMMENDATION:**

Staff recommends the City Council adopt Resolution 2017-138 approving the Development Agreement for Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition.

*“Move to adopt Resolution 2017-138 approving the development agreement for Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition Final Plat”*

**ATTACHMENTS:**

- Resolution 2017-138
- Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition Development Agreement

**CITY OF LAKE ELMO  
WASHINGTON COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. 2017-138**

*A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT FOR HIDDEN MEADOWS  
AT LAKE ELMO 2ND ADDITION*

**WHEREAS**, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

**WHEREAS**, RM Investments, LLC and Mpls RE, LLC 13925 Fenway Blvd N, Hugo, MN 55042 (“Developer”) has previously submitted an application to the City of Lake Elmo (“City”) for Final Plat to be called Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition, a copy of which is on file in the City Planning Department; and

**WHEREAS**, the Lake Elmo City Council adopted Resolution 2006-038 approving the Open Space Preservation Development Stage Plan, Preliminary Plat and CUP of Hidden Meadows of Lake Elmo on April 18, 2006; and

**WHEREAS**, the Lake Elmo City Council adopted Resolution 2017-073 approving The Hidden Meadows at Lake Elmo 2<sup>nd</sup> Addition Final Plat on July 5, 2017; and

**WHEREAS**, a condition of approval of said Resolution 2017-073 establishes that prior to execution of the Final Plat by City officials, the Applicant shall enter into a Development Agreement with the City; and.

**WHEREAS**, the Developer and the City have agreed to enter into such a contract and a copy of the Development Agreement was submitted to the City Council for consideration at its December 5, 2017 meeting;

**NOW, THEREFORE, BE IT RESOLVED THAT** the City Council does hereby approve the Development Agreement for The Royal Golf Club at Lake Elmo 1<sup>st</sup> Addition and authorizes the mayor and city Clerk to execute the document.

Passed and duly adopted this 5<sup>th</sup> day of December, 2017 by the City Council of the City of Lake Elmo, Minnesota.

---

Mike Pearson, Mayor

ATTEST:

---

Julie Johnson, City Clerk

*(reserved for recording information)*

**DEVELOPMENT AGREEMENT**

*(Public sewer and water)*

**HIDDEN MEADOWS 2<sup>ND</sup> ADDITION**

**THIS DEVELOPMENT AGREEMENT is** dated \_\_\_\_\_, 2017, by and between the **CITY OF LAKE ELMO**, a Minnesota municipal corporation (the “City”) and RM Investments, LLC, a Minnesota limited liability company and Mpls RE, LLC, a Minnesota limited liability company (collectively, the “Developers”).

**1. REQUEST FOR PLAT APPROVAL.** The Developers have asked the City to approve a plat for Hidden Meadows 2<sup>nd</sup> Addition (referred to in this Agreement as the “Subdivision”). The property being platted is situated in the County of Washington, State of Minnesota, and is legally described on **Exhibit A**.

**2. CONDITIONS OF PLAT APPROVAL.** The City hereby approves the Subdivision on the condition that the Developers enter into this Agreement, furnish the security required by it, and file the plat with the County Recorder or Registrar of Titles within 180 days after the City Council approves the final plat.

**3. RIGHT TO PROCEED.** This Agreement is intended to regulate the development of the

Property and the construction therein of certain public and private improvements. The Developers may not grade or otherwise disturb the earth, remove trees, or construct public or private improvements or any buildings within the Subdivision until all the following conditions precedent have been satisfied:

- A. the Developers have prepared a warranty deed conveying fee title to Outlot F and Outlot G to the City and provided the executed deed to the City for recording with Washington County;
- B. the Developers have executed and recorded with Washington County all drainage and utility easements required for the Subdivision by the City Engineer and Public Works Director in the City's standard form;
- C. the Developers have executed and recorded with Washington County the storm water maintenance and easement agreement in the City's standard form;
- D. this Agreement has been executed by the Developers and the City;
- E. the required Security (as hereinafter defined) have been received by the City from or on behalf of the Developers;
- F. final construction plans and specifications have been submitted by the Developers and approved by the City Engineer;
- G. the Developers have paid the City for all legal, engineering, and administrative expenses incurred by the City regarding the City approvals and has given the City the additional City Engineering Administration Escrow required by this Agreement;
- H. the Developers have paid any outstanding assessments and taxes for the property or property being deeded to the City;
- I. the Developers have fulfilled any park dedication requirements as specified under this Agreement;

- J. the Developers have received all necessary permits from the MPCA, MDH, DNR, applicable watershed, Washington County, and any other agency having jurisdiction over the Subdivision;
- K. the Developers have provided the City with a certificate of insurance required by this Agreement;
- L. the Developers or the Developers' engineer and the Developers' contractor(s) have initiated and attended a preconstruction meeting with the City Engineer and City staff;
- M. the final plat has been recorded with Washington County;
- N. the City has issued a written notice that all above conditions have been satisfied and that the Developers may proceed;
- O. Legal documents regarding homeowner association documents, covenants, and restrictions have been submitted, reviewed and approval by the City Attorney; and
- P. the Developers have provided a title insurance policy for all land being deeded or dedicated to the City in the plat.

**4. PHASED DEVELOPMENT.** If the plat is a phase of a multi-phased preliminary plat, the City may refuse to approve final plats of subsequent phases of the development if the Developers are not in compliance with any term of this Agreement and the non-compliance has not been remedied. Development of subsequent phases of the development may not proceed until development agreements for such phases are approved by the City. Park dedication charges and availability charges for sewer and water referred to in this Agreement are not being imposed on outlots that are designated in the plat for future subdivision into lots and blocks, if any, in the plat. Such charges will be calculated and imposed when these outlots, if any, are platted into lots and blocks.

**5. PRELIMINARY PLAT STATUS.** If the Subdivision is a phase of a multi-phased preliminary plat, the preliminary plat approval for all phases not final platted shall lapse and be

void unless final platted into lots and blocks, not outlots, within five years after preliminary plat approval.

**6. CHANGES IN OFFICIAL CONTROLS.** For five years from the date of this Agreement, no amendments to the City's Comprehensive Plan or official controls shall apply to or affect the use, development density, lot size, lot layout, or dedications of the approved final plat unless required by state or federal law or agreed to in writing by the City and the Developers. Thereafter, notwithstanding anything in this Agreement to the contrary, to the full extent permitted by state law, the City may require compliance with any changes to the City's Comprehensive Plan, official controls, platting, or dedication requirements enacted after the date of this Agreement.

**7. DEVELOPMENT PLANS.** The Developers agree to develop the Property in accordance with the City approvals, including the terms and conditions of approval of the final plat as detailed in City Council Resolution No. 2017-073, and to construct all improvements in accordance with the approved construction plans and specifications (collectively, the "Plans") prepared by a professional engineer registered in the State of Minnesota at their sole expense. All terms and conditions of the City approvals are hereby incorporated by reference into this Agreement. The documents which constitute the Plans are those on file with and approved by the City and are listed on **Exhibit B** attached hereto. The Plans may not be modified by the Developers without the prior written approval of the City.

**8. IMPROVEMENTS.** In developing the Subdivision in accordance with the Plans, the Developers shall make or install at their sole expense the following public and private improvements (collectively, the "Subdivision Improvements"):

- A. Grading and erosion control;
- B. Private sanitary sewer conveyance system;
- C. Phase 2 wastewater disposal system;
- D. Water system improvements;
- E. Stormwater improvements (storm sewer pipe, control structures, ponds, BMPs, etc.);

- F. Streets;
- G. Trails;
- H. Underground private utilities;
- I. Landscaping;
- J. Street lighting and signage;
- K. Tree preservation and reforestation;
- L. Wetland mitigation and buffers; and
- M. Monuments required by Minnesota Statutes.

All improvements shall be installed in accordance with the approved Plans, the City approvals, the City Code, the City's Engineering Design and Construction Standards Manual, and the City's Landscape and Irrigation Standards. The Developers shall instruct their engineer to provide adequate field inspection personnel to assure an acceptable level of quality control to the extent that the Developers' engineer will be able to certify that the construction work meets the approved Plans, the City approvals, the City Code, the City's Engineering Design and Construction Standards Manual, and the City's Landscape and Irrigation Standards as a condition of City acceptance. In addition, the City may, at the City's discretion and at the Developers' expense, have one or more City inspectors or a soil engineer inspect the Developers' work on a full or part-time basis. The Developers' engineer shall provide for on-site project management. The Developers' engineer is responsible for design changes and contract administration between the Developers and the Developers' contractor.

#### **9. CITY ADMINISTRATION AND CONSTRUCTION OBSERVATION.**

At the time of the City's approval of the final plat for the Subdivision, the Developers shall submit to the City an amount to be escrowed by the City for City administration and construction observation costs in an amount provided under paragraph 37 of this Agreement - Summary of Cash Requirements. Thereafter, the Developers shall reimburse the City each month, within 30 days of receiving an invoice, for all administration and construction observation costs incurred by the City during the construction of the Subdivision Improvements by the City's engineering, public

works, planning, and landscape architecture staff and consultants. After 30 days of the invoice, the City may draw upon the escrow and stop the work on site until the escrow has been replenished in its full amount. City administration and oversight will include monitoring of construction progress and construction observation, consultation with the Developers and the Developers' professionals on status or problems regarding the project, coordination for testing, final inspection and acceptance, project monitoring during the warranty period, and processing of requests for reduction in the Security. Construction observation shall include, at the discretion of the City, part or full time inspection of proposed public utilities and street construction. Services will be billed by the City on an hourly basis.

The direction and review provided by the City through the inspection of the Subdivision Improvements should not be considered a substitute for the Developers-required management of the construction of the Subdivision Improvements. The Developers must require the Developers' contractor(s) to furnish the City with a schedule of proposed operations at least five days prior to the commencement of construction of each type of Subdivision Improvement. The City shall inspect all Developers-installed Subdivision Improvements during and after construction for compliance with the Plans, the City approvals, the City Code, the City's Engineering Design and Construction Standards Manual, and the City's Landscape and Irrigation Standards. The Developers will notify the City at such times during construction as the City requires for inspection purposes. Such inspection is pursuant to the City's governmental authority, and no agency or joint venture relationship between the City and the Developers is thereby created.

**10. CONTRACTORS/SUBCONTRACTORS.** City Council members, City employees, and City Planning Commission members, and corporations, partnerships, and other entities in which such individuals have greater than a 25 percent ownership interest or in which they are an officer or director may not act as contractors or subcontractors for the Subdivision Improvements identified in Paragraph 8 above.

**11. TIME OF PERFORMANCE.** The Developers shall install all required Subdivision Improvements, per the phasing plan, by October 31, 2020, with the exception of the final wear course of asphalt on streets. The Developers shall install the bituminous wearing course of streets after the first course has weathered a winter season, consistent with warranty requirements, however, final acceptance of the Subdivision Improvements by the City will not be granted until all work is completed, including the final wear course. The Developers may, however, request an extension of time from the City. If an extension is granted, it shall be conditioned upon updating the Security posted by the Developers to reflect cost increases and amending this Agreement to reflect the extended completion date. Final wear course placement outside of this time frame must have the written approval of the City Engineer.

**12. MAINTENANCE DURING CONSTRUCTION.** The Developers shall be responsible for all maintenance of the Subdivision Improvements including the snow plowing of the streets, roads and alleys until the Subdivision Improvements are accepted by the City in writing. The Developers are also responsible to locate all underground utilities until the Subdivision is accepted in writing by the City. Warning signs shall be placed by the Developers when hazards develop in streets to prevent the public from traveling on same and to direct attention to detours. If and when streets become impassable, such streets shall be barricaded and closed by the Developers. In the event residences are occupied prior to completing streets, the Developers shall maintain a smooth surface and provide proper surface drainage to ensure that the streets are passable for traffic and emergency vehicles. The Developers shall be responsible for keeping streets within and without the Subdivision clean and clear of dirt and debris that may spill, track, or wash onto the street from the Developers' operations. The Developers shall contract for street cleaning for streets within and immediately adjacent to the Subdivision. At a minimum, scraping and sweeping shall take place on a weekly basis.

Prior to the City's acceptance of the streets, the City may agree, at the City's sole

discretion, to keep the streets open during winter months by plowing snow. The City will consider snow plowing streets on a case by case basis and under the following conditions: 1) the Developers must request in writing the streets in question to be plowed by the City, with such request received prior to October 1st of each winter season that plowing is requested; 2) the streets must be occupied by residents of the City; 3) for streets that do not have the bituminous wear course placed, the Developers must install paved wedges along all curb lines and catch basins; 4) gate valves and manholes must be level with the pavement surface; 5) street curves, center medians, and other protrusions in the right-of-ways must be delineated with "High-vis" fiberglass stakes; 7) a site review must be scheduled and conducted with Public Works and attended by the Developers to accept the streets for plowing prior to the commitment of plowing by the City; 8) the City shall not be responsible for any damage caused by snow plowing operations to the streets, curb and gutter, manholes, catch basins, or other infrastructure; and 8) the Developers shall enter into an Agreement with the City for plowing of the streets.

**13. LICENSE.** The Developers hereby grant the City, its agents, employees, officers, and contractors a license to enter the Property to perform all work and inspections deemed appropriate by the City in conjunction with the development of the Property and this Agreement.

**14. CONSTRUCTION ACCESS.** Construction traffic access and egress for grading, public utility construction, and street construction is restricted to access the Subdivision via Kelvin Avenue North. No construction traffic is permitted on other adjacent local streets, including the loading and unloading of equipment.

**15. CONSTRUCTION SEQUENCE AND COMPLIANCE.** The City will require the Developers to construct the Subdivision Improvements in a sequence which will allow progress and compliance points to be measured and evaluated. The Developers and the Developers' representatives are required to supervise and coordinate all construction activities for all Subdivision Improvements and must notify the City in writing stating when the work is ready for

the inspection at each of the measurable points defined in the following paragraphs.

**16. EROSION CONTROL.** All construction regarding the Subdivision Improvements shall be completed in a manner designed to control erosion and in compliance with the City Code, the City's Engineering Design and Construction Standards Manual, all watershed district permits, the Minnesota Pollution Control Agency's best management practices, and other requirements including the City's permit with the Minnesota Pollution Control Agency for the municipal separate storm sewer system program. Prior to initiating any work on the site, an erosion control plan must be implemented by the Developers and inspected and approved by the City. Erosion and sediment control measures shall be coordinated with the various stages of development. The City may impose additional erosion control requirements at any stage in development as deemed necessary to maintain a compliant site. All areas disturbed for site improvements must be reseeded by the Developers promptly after the work in the area is complete unless construction of the next stage of the improvements will begin in that area within seven days. The parties recognize that time is of the essence in controlling erosion.

If the Developers do not comply with the erosion control plan and schedule or supplementary instructions received from the City, the City may take such action as it deems appropriate to control erosion. The City will endeavor to notify the Developers in advance of any proposed action, but failure of the City to do so will not affect the Developers' and City's rights or obligations hereunder. If the Developers do not reimburse the City for any cost the City incurred for such work within 10 days, the City may draw down the Security to pay any costs. No development, utility or street construction will be allowed and no building permits will be issued by the City unless the Subdivision is in full compliance with the approved erosion control plan.

If building permits are issued prior to the acceptance of public Subdivision Improvements, the Developers assume all responsibility for erosion control compliance throughout the Subdivision and the City may take such action as allowed by this Agreement against the Developers for any noncompliant issue as stated above. Erosion control plans for individual lots

will be required in accordance with the City's building permit requirements, or as required by the City or City Engineer.

**17. SITE GRADING.** In order to construct the Subdivision Improvements and otherwise prepare the Property for development, it will be necessary for the Developers to grade the Subdivision. All grading must be done in compliance with this Agreement and the approved grading plans. Within 30 days after completion of the grading, the Developers shall provide the City with an "as built" grading plan and a certification by a registered land surveyor or engineer as required in the City's Engineering Design and Construction Standards Manual.

**18. STREET AND UTILITY IMPROVEMENTS.** All storm sewers, sanitary sewers, watermain, and streets, including turn lane and intersection improvements, shall be installed in accordance with the approved Plans, the City approvals, the City Code, and the City's Engineering Design and Construction Standards Manual. Curb and gutter, the first lift of the bituminous streets, sidewalks, boulevards graded, street signs installed, and all restoration work on the site shall be completed in accordance with the approved Plans. Once the work is completed, the Developers or the Developers' representative shall submit a written request to the City asking for an inspection of the initial improvements. The City will then schedule a walk-through to create a punch list of outstanding items to be completed. Upon receipt of the written punch list provided by the City, the punch list items must be completed by the Developers and the City notified to re-inspect the improvements. The final bituminous wear course shall be installed by the Developers after the first bituminous course has weathered a winter season. Prior to placement of the final bituminous wear course, the Developers shall repair or replace all broken or failing curbs, sidewalks and damaged or settled streets as determined by the City from a pre-wear course walk through inspection.

**19. LANDSCAPING AND TREE REPLACEMENT IMPROVEMENTS.**

A. The Developers agree to install landscaping in accordance with the approved Plans,

the City approvals, the City Code, the City's Engineering Design and Construction Standards Manual, and the City's Landscape and Irrigation Standards. All landscaping materials such as trees, shrubs, grasses, or other vegetation installed by the Developers must be warrantied and maintained for a period of two years. The two year warranty period shall be deemed to start once all required landscaping identified as responsibility of Developers in the approved Plans has received acceptance by the City. The Developers agree to have the installer of the landscaping complete an inspection 30 days prior to the end of the two year warranty period and provide the City with a written report identifying the condition of all landscaping. In the event any landscaping installed by the Developers is deemed to be in poor condition or dead, the Developers are to replace the landscaping with like kind materials or as otherwise approved by the City.

- B. The Developers shall be responsible for maintaining regular watering, fertilizing, and over-seeding necessary to establish final lawns and yards as identified in the approved Plans for outlots, public rights-of-way, and any disturbed areas outside the Subdivision boundaries according to a landscape maintenance plan approved by the City. The Developers agree to achieve "substantial performance" on all seeded or sodded lawns and yards disturbed during the construction of Subdivision Improvements. For the purpose of this Agreement, "substantial performance" shall be defined for areas seeded or sodded with a turf or lawn mix as "square foot turf areas with an average blade height of three inches free of eroded, bare, or dead spots and free from perennial weeds or unwanted grasses with no visible surface soil." For areas seeded with a native grass or flower mix "substantial performance" shall be defined as "square foot native grass or flower areas with an average height of eight inches free of eroded, bare, or dead spots and no visible surface soil."

**20. SIGNAGE, STREET LIGHTING, AND OTHER UTILITIES.** The Developers agree

to install street signs, traffic and parking signs, and pavement markings within the Subdivision all in accordance with the approved Plans and the City Engineering Design Standards Manual. Street and traffic sign details shall be submitted by the Developers to the City for approval prior to installation. In addition, the Developers shall be responsible for the cost and all coordination work to extend private utilities along with street lighting within the Subdivision all in accordance with the approved plans and right-of-way permits.

**21. OWNERSHIP OF IMPROVEMENTS.** Upon completion of the work and construction required by this Agreement, the Subdivision Improvements lying within public easements shall become City property. Prior to acceptance of the public Subdivision Improvements by the City, the Developers must furnish the City with a complete set of reproducible "record" plans and an electronic file of the "record" plans in accordance with the City's Engineering Design and Construction Standards Manual together with the following affidavits:

- Developers/Developers' Engineer's Certificate
- Land Surveyor's Certificate

certifying that all construction has been completed in accordance with the terms of this Agreement. All necessary forms will be furnished by the City. Upon receipt of "record plans" and affidavits, and upon review and verification by the City Engineer that the public Subdivision Improvements have been completed in accordance with the terms of this Agreement, the City Engineer will accept the completed public Subdivision Improvements.

**22. PARK DEDICATION.** The Developers shall pay to the City a cash contribution of \$84,000.00 in satisfaction of the City's park dedication requirements. The charge was calculated as follows: seven percent of the purchase price of the Property, 1,200,000.00, as indicated by the Fourth Amendment to Purchase Agreement, dated September 18, 2017.

**23. SANITARY SEWER AND WATER UTILITY AVAILABILITY CHARGES (SAC AND WAC).** The Developers shall be responsible for the payment of all water availability charges (WAC) with respect to the Subdivision Improvements required by the City and any state

or metropolitan government agency.

The water availability charge (WAC) in the amount of \$3,000.00 per REC shall be paid by the Developers to the City prior to recording the final plat. The total amount to be paid by the Developers is \$75,000.00.<sup>[1]</sup>

In addition, a water connection charge in the amount of \$1,000.00 per REC will be payable by the Developers and collected by the City at the time the building permit is issued for each lot.

**24. STREET LIGHTS.** The Developers are responsible for the cost of street light installation consistent with a street lighting plan approved by the City. Before the City signs the final plat, the Developers shall post security for street light installation consistent with the approved Plans. The required security is \$36,000.00 (calculated as six decorative lights at a cost of \$6000 each). The Developers shall also pay the City \$129/street light (a total of \$774.00) to reimburse the City for the first year operating costs for the street lights.

**25. WETLAND MITIGATION.** The Developers shall complete wetland mitigation/restoration in accordance with the approved Plans and in accordance with any applicable watershed or agency permits. If the mitigation work is found to be incomplete or restoration is unsuccessful, the City may draw down the Security at any time during the warranty period to perform the work if the Developers fail to take corrective measures after being provided reasonable notice by the City.

**26. BUILDING PERMITS/CERTIFICATES OF OCCUPANCY.**

- A. No building permit shall be issued for any lot within the Subdivision, or within a completed phase of the Subdivision in a City preapproved phasing plan, until such time that sanitary sewer, water, storm sewer, curbing, and one lift of asphalt has been installed and tested for all public streets; trails have been installed; street and traffic control signs are installed; property monuments have been installed and grading as-built plans have been submitted and approved by the City. Installation of

the Phase 2 Wastewater Treatment System must be complete prior to issuance of building permits for Phase 2. A “preapproved phasing plan” is defined as a phased construction plan that has been submitted by the Developers and approved by the City in advance of the preconstruction meeting for the Subdivision. Once the construction has started, the City will not consider revisions to the phasing plan for the purpose of issuing building permits.

- B. Issuance of two building permits for “model homes” may be authorized by the City Planning Director prior to the completion of the Subdivision Improvements described in paragraph 26 (A) above, if there is safe public access to the lot that is sufficient to allow construction to proceed and there is a grading as-built plan approved by the City for the lot and all downstream storm water drainage facilities. However, the City will not issue a certificate of occupancy for any “model home” until all conditions identified in paragraph 26 (A) above have been completed. The Developers shall use the model homes only for real estate sales purposes and no other purposes.
- C. Prior to issuance of building permits, wetland buffer monuments shall be placed in accordance with the City’s zoning ordinance. The monument design shall be approved by the Planning Department.
- D. Breach of the terms of this Agreement by the Developers, including nonpayment of billings from the City, shall be grounds for denial of building permits, certificates of occupancy, and withholding of other permits, inspection or actions and the halting of all work in the Subdivision.
- E. If building permits are issued prior to the acceptance of the public Subdivision Improvements by the City, the Developers assume all liability and costs resulting in delays in completion of public Subdivision Improvements and damage to public Subdivision Improvements caused by the City, the Developers, the Developers’

contractors, subcontractors, materialmen, employees, or agents, or any third parties.

- F. No sewer and water connection permits may be issued until the streets needed for access have been paved with a bituminous surface and the utilities are tested and approved by the City Engineer.

**27. RESPONSIBILITY FOR COSTS.**

- A. In the event that the City receives claims from labor, materialmen, or others that work required by this Agreement has been performed and the amounts due to them have not been paid, and the laborers, materialmen, or others are seeking payment from the City, the Developers hereby authorize the City to commence an Interpleader action pursuant to Rule 22, Minnesota Rules of Civil Procedure for the District Courts, to draw upon the Security in an amount up to 125 percent of the claim(s) and deposit the funds in compliance with the Rule, and upon such deposit, the Developers shall release, discharge, and dismiss the City from any further proceedings as it pertains to the funds deposited with the District Court, except that the Court shall retain jurisdiction to determine attorneys' fees pursuant to this Agreement.
- B. Except as otherwise specified herein, the Developers shall pay all costs incurred by it or the City in conjunction with the development of the Subdivision, including but not limited to legal, planning, engineering, and inspection expenses incurred in connection with the City's approval and acceptance of the plat and the Subdivision, the preparation of this Agreement, the City's review of construction plans and documents, and all costs and expenses incurred by the City in monitoring and inspecting development of the Subdivision. All amounts incurred and due to the City at the time of the recording of the final plat must be fully paid by the Developers prior to the City executing and releasing the final plat for recording.

- C. The Developers shall hold the City and its officials, employees, and agents harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from the City's approval of the plat and the development of the Subdivision. The Developers shall indemnify the City and its officials, employees, and agents for all costs, damages, or expenses which the City may pay or incur in consequence of such claims, including attorneys' fees.
- D. The Developers shall reimburse the City for costs incurred in the enforcement of this Agreement, including reasonable engineering and attorneys' fees.
- E. The Developers shall pay, or cause to be paid when due, and in any event before any penalty is attached, all special assessments referred to in this Agreement. This is a personal obligation of the Developers and shall continue in full force and effect even if the Developers sell one or more lots, the entire Property, or any portion of it.
- F. The Developers shall pay in full all bills submitted to them by the City for obligations incurred under this Agreement within 30 days after receipt. Bills not paid within 30 days shall be assessed a late fee per the City adopted fee schedule. Upon request, the City will provide copies of detailed invoices of the work performed by the City and its consultants.

**28. CITY PAYMENTS.** The City shall reimburse the Developers in the amount of \$58,064.00 for oversizing costs associated with the installation of 16 inch water main as identified on the Plans. City payments shall be made within 30 days of the City's final acceptance of the Improvements, but only if the Developers are not in default of this Agreement. This payment by the City shall be the City's only responsibility with regard to construction of the Improvements and in no case shall act as a waiver of any other right of the City under this Agreement or under applicable laws, ordinances, or rules.

**29. SPECIAL PROVISIONS.** The following special provisions shall apply to the

Subdivision:

- A. Implementation of the recommendations listed in the \_\_\_\_\_, Engineering memorandum.
- B. Upon the recording of the final plat, the Developers shall convey Outlots F and G to the City by warranty deed, free and clear of any and all encumbrances, unless otherwise agreed to by the City.
- C. The Developers shall install a temporary turnaround on 56<sup>th</sup> Place North in accordance with the Phase 1 Plan until it is extended to the east with the second phase of the phasing plans.
- D. The Developers must obtain a sign permit from the City Building Official prior to installation of any subdivision identification signs.
- E. The Developers shall enter into a Landscape License Agreement with the City that clarifies the individuals or entities responsible for maintenance of any landscaping installed in areas outside of land dedicated as public park and open space on the final plat.
- F. A declaration addressing the management and maintenance of the common areas, the maintenance of the communal septic system and establishing a homeowners' association must be submitted in final form to the City for the review and approval by the City Attorney prior to issuance of any building permit within the Subdivision.
- G. The septic system on Lot 1, Block 1, Hidden Meadows 2<sup>nd</sup> Addition must be replaced per Inspection Report from Inspect Minnesota & Midwest Soil Testing.
- H. All permits and title for the property on which the communal septic system is to be located must be transferred to the homeowners' association. The City requires evidence of this transfer.
- I. The Developers shall enter in to an encroachment agreement with the City assigning

responsibility for the maintenance of retaining walls in Kelvin Avenue North and 57<sup>th</sup> Street North rights-of-way to the homeowners' association.

- K. The Developers shall escrow \$4,000 with the City in order to ensure the proper cleanup of the dump site on the Property by the Developers. The Developer shall enter in to a conservation easement agreement with the City over Outlots B, C, D, F, G, H and I and reimburse the City \$20,000 for maintenance costs associated with this easement.

**30. MISCELLANEOUS.**

- A. The Developers may not assign this Agreement without the written permission of the City Council. The Developers' obligations hereunder shall continue in full force and effect even if the Developers sell one or more lots, the entire Property, or any portion of it. . Notwithstanding the requirements herein, the City specifically grants permission to Developer to assign this Agreement to Creative Homes/Rachel Development provided Developer gives proper notice to the City and provided Developer is not in default of any provision in this Agreement. Upon assignment of the Agreement to Creative Homes/Rachel Development, the Developer shall be released of any obligations of this Agreement, including but not limited to the requirement that Developer provide any Security for the obligations described herein, and said obligations of the Agreement shall be the sole and exclusive obligation of Creative Homes/Rachel Development.
- B. Retaining walls that require a building permit shall be constructed in accordance with plans and specifications prepared by a professional engineer licensed by the State of Minnesota. Following construction, a certification signed by the design engineer shall be filed with the City Engineer evidencing that the retaining wall was constructed in accordance with the approved Plans. All retaining walls identified on the Plans or by special conditions referred to in this Agreement shall be constructed

before any other building permit is issued for a lot on which a retaining wall is required to be built.

C. Legal documents regarding homeowner association documents, covenants, and restrictions shall be submitted to the City prior to recording of the final plat for review and approval by the City Attorney.

D. The Developers shall take out and maintain or cause to be taken out and maintained until six months after the City has accepted the public Subdivision Improvements, public liability and property damage insurance covering personal injury, including death, and claims for property damage which may arise out of Developers' work or the work of its subcontractors or by one directly or indirectly employed by any of them.

Limits for bodily injury and death shall be not less than \$500,000 for one person and \$1,500,000 for each occurrence; limits for property damage shall be not less than \$200,000 for each occurrence; or a combination single limit policy of \$1,500,000 or more. The City shall be named as an additional insured on the policy, and the Developers shall file with the City a certificate of insurance evidencing coverage prior to the City signing the plat. The certificate shall provide that the City must be given 30 days' advance written notice of the cancellation of the insurance.

E. Third parties shall have no recourse against the City under this Agreement.

F. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Agreement.

G. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by written resolution of the City Council.

The City's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.

- H. This Agreement shall run with the land and may be recorded against the title to the Property at the Developers' expense. The Developers covenant with the City, its successors and assigns, that the Developers have fee title to the Property being final platted and have obtained consents to this Agreement, in the form attached hereto, from all parties who have an interest in the Property, including, but not limited to, mortgagees; that there are no unrecorded interests in the Property being final platted; and that the Developers will indemnify and hold the City harmless for any breach of the foregoing covenants.
- I. Each right, power or remedy herein conferred upon the City is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to City, at law or in equity, or under any other agreement, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power or remedy.
- J. The Developers represent to the City that the Subdivision and the Subdivision Improvements comply or will comply with all City, County, metropolitan, state, and federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances, and environmental regulations. If the City determines that the Subdivision is not in compliance, the City may, at its option, refuse to allow construction or development work in the Subdivision until it is brought into compliance. Upon the City's demand, the Developers shall cease work until there is compliance.

**31. EVENTS OF DEFAULT.** The following shall be "Events of Default" under this

Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events:

- A. Subject to unavoidable delays, failure by the Developers to commence and complete construction of the public Subdivision Improvements pursuant to the terms, conditions, and limitations of this Agreement.
- B. Failure by the Developers to substantially observe or perform any material covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement.

**32. REMEDIES ON DEFAULT.** Whenever any Event of Default occurs, the City, subject to any rights of third parties agreed to by the City pursuant to this Agreement, or otherwise by written, executed instrument of the City, may take any one or more of the following:

- A. The City may suspend its performance under the Agreement until it receives assurances from the Developers, deemed adequate by the City, that Developers will cure their default and continue their performance under the Agreement. Suspension of performance includes the right of the City to withhold permits including, but not limited to, building permits.
- B. The City may initiate such action, including legal or administrative action, as is necessary for the City to secure performance of any provision of this Agreement or recover any amounts due under this Agreement from the Developers, or immediately draw on the Security, as set forth in this Agreement.

**33. ENFORCEMENT BY CITY; DAMAGES.** The Developers acknowledge the right of the City to enforce the terms of this Agreement against the Developers, by action for specific performance or damages, or both, or by any other legally authorized means. In the event of a default by the Developers as to construction or repair of any of the Subdivision Improvements or any other work or undertaking required by this Agreement, the City may, at its option, perform the

work and the Developers shall promptly reimburse the City for any expense incurred by the City. This Agreement is a license for the City to act, and it shall not be necessary for the City to seek an order from any court for permission to enter the Subdivision for such purposes. If the City does such work, the City may, in addition to its other remedies, levy special assessments against the land within the Subdivision to recover the costs thereof. For this purpose, the Developers, for themselves and their successors and assigns, expressly waive any and all procedural and substantive objections to the special assessments, including, but not limited to, hearing requirements, and any claim that the assessments exceed the benefit to the land so assessed. The Developers, for themselves and their successors and assigns, also waive any appeal rights otherwise available pursuant to Minnesota Statutes Section 429.081.

The Developers also acknowledges that their failure to perform any or all of the Developers' obligations under this Agreement may result in substantial damages to the City; that in the event of default by the Developers, the City may commence legal action to recover all damages, losses and expenses sustained by the City; and that such expenses may include, but are not limited to, the reasonable fees of legal counsel employed with respect to the enforcement of this Agreement.

**34. WARRANTY.** During the warranty period, the Developers warrant that all Subdivision Improvements will be free from defects and that they will continue to meet all technical specifications and standards. During the warranty period, the Developers agree to repair or replace any Subdivision Improvement, or any portion or element thereof, which shows signs of failure, normal wear and tear excepted. If the Developers fail to repair or replace a defective Subdivision Improvement during the warranty period, the City may repair or replace the defective portion and may use the Security to reimburse itself for such costs. The Developers agree to reimburse the City fully for the cost of all Subdivision Improvement repair or replacement if the cost thereof exceeds the remaining amount of the Security. Such reimbursement must be made

within 45 days of the date upon which the City notifies the Developers of the cost due under this paragraph. The Developers hereby agree to permit the City to specially assess any unreimbursed costs against any lots in the Subdivision which have not been sold to home buyers if the Developers fail to make required payments to the City. The Developers, on behalf of themselves and their successors and assigns, acknowledge the benefit to the lots within the Subdivision of the repair or replacement of the Subdivision Improvements and hereby consent to such assessment and waives the right to a hearing or notice of hearing or any appeal thereon under Minnesota Statutes, Chapter 429.

- A. The required warranty period for all work relating to the private sewer and public water shall be two years from the date of final written City acceptance of the work.
- B. The required warranty period for all work relating to street construction, including concrete curb and gutter, trails, materials and equipment shall be subject to one year from the date of final written acceptance of the work.
- C. The required warranty period for sod, trees, and landscaping is two years from the date of final written City acceptance of the installation.

**35. SUMMARY OF SECURITY REQUIREMENTS.** To guarantee compliance with the terms of this Agreement, payment of special assessments, payment of the costs of all public Subdivision Improvements, and construction of all public Subdivision Improvements, the Developers shall furnish the City with an irrevocable letter of credit or a cash escrow or a combination of a cash escrow and letter of credit (the "Security") in the amount of \$2,230,607. The bank originating the letter of credit shall be determined by the City to be solvent and creditworthy. The letter of credit shall substantially be in the form attached to this Agreement and must be approved by the City. The amount of the Security was calculated as itemized on Exhibit C. If at any time the City reasonably determines that the bank issuing the letter of credit no longer satisfies the City's requirements regarding solvency and creditworthiness, the City shall notify the

Developers and the Developers shall provide to the City within 45 days a substitute for the letter of credit from another bank meeting the City's requirements. If the Developers fail to provide the City within 45 days with a substitute letter of credit from an issuing bank satisfactory to the City, the City may draw under the existing letter of credit.

This breakdown is for historical reference; it is not a restriction on the use of the Security. The City may draw down the Security, without notice, for any violation of the terms of this Agreement or if the Security is allowed to lapse prior to the end of the required term. If the required public Subdivision Improvements are not completed at least 30 days prior to the expiration of the Security, the City may also draw it down. If the Security is drawn down, the proceeds shall be used by the City to cure the default.

**36. REDUCTION OF SECURITY.** Upon written request by the Developers and upon receipt of proof satisfactory to the City Engineer that work has been completed in accordance with the approved Plans and the terms of this Agreement and that all financial obligations to the City have been satisfied, the City Engineer may approve reductions in the Security in the following instances:

- A. Upon completion of grading operations, including temporary site restoration. The Developers must submit an as-built grading survey to the City that at a minimum establishes the as-built grades at all lot corners and downstream drainage conveyance systems and storm water ponds. Upon inspection of the site and approval of the as-built survey by the City, 100 percent, or \$156,250, of the Security associated with grading may be released. This Security reduction does not include amounts related to erosion and sedimentation control.
- B. Up to 75 percent of the Security associated with the itemization on **Exhibit C** may be released upon completion of the following key milestones of the project as determined by the City Engineer:
  - 1. Construction Categories 2 and 3: The amount of \$375,003 may be released

when all sanitary sewer and watermain utilities have been installed, all testing and televising has been successfully completed, sanitary sewer as-builts have been verified, and the utilities are considered ready for use by the City Engineer.

2. Construction Categories 4 and 5: The amount of \$587,042 may be released when all streets and storm sewer have been installed and tested, and have been found to be complete to the satisfaction of the City Engineer including all corrective work for any identified punch list items and including verification of storm sewer as-built inverts, but not including the final wear course.

3. Construction Categories 6-10 and 14-17: The amount of \$411,848 may be released when all remaining Developers' obligations under this Agreement have been completed including: (1) bituminous wear course; (2) street lighting and private utilities; (3) trails; (4) bio retention facilities; (5) iron monuments for lot corners have been installed; (3) all financial obligations to the City satisfied; (4) the required "record" plans in the form of the City standards have been received and approved by the City; and (5) the public Subdivision Improvements are accepted by the City Engineer and the City Council.

Construction Categories 11, 12 and 13: The amount of \$181,875 may be released when landscaping Subdivision Improvements have been installed to the satisfaction of the City including all corrective work for any identified punch list items.

C. Twenty-five percent of the original Security amount, excluding grading and landscaping improvements shall be retained until: (1) all Subdivision Improvements have been fully completed and accepted by the City, including all corrective work and warranty punch list items; (2) all financial obligations to the City have been satisfied; and (3) the warranty period has expired.

D. Twenty-five percent of the original Security amount associated with landscaping shall be retained by the City until: (1) all landscaping Subdivision Improvements

have been fully completed and accepted by the City, including all corrective work and warranty punch list items being completed by the Developers; (2) all financial obligations to the City have been satisfied; and (3) the warranty period has expired.

E. In addition to the above project milestone based Security reductions, the Developers may submit a written request and upon receipt of proof satisfactory to the City Engineer that work is progressing in accordance with the approved Plans and the terms of this Agreement and that all financial obligations to the City have been satisfied, the City Engineer may approve a one-time reduction in the Security for Construction Categories 2-5 in an amount not to exceed 50 percent of the initial Security amount.

F. It is the intent of the parties that the City at all times have available to it Security in an amount adequate to ensure completion of all elements of the Subdivision Improvements and other obligations of the Developers under this Agreement, including fees or costs due to the City by the Developers. To that end and notwithstanding anything herein to the contrary, all requests by the Developers for a reduction or release of the Security shall be evaluated by the City in light of that principle.

**37. SUMMARY OF CASH REQUIREMENTS.** The following is a summary of the cash requirements under this Agreement which must be paid to the City prior to recording the final plat:

|   |                      |
|---|----------------------|
| Water Availability Charge (WAC):  | \$75,000             |
| Park Dedication:  | \$84,000             |
| Street Light Operating Fee:   | \$645 <sup>[2]</sup> |
| City Base Map Upgrading (\$25.00 per REU):  | \$650                |
| Reimbursement for City Maintenance Costs Associated<br>With Conservation Easement | \$20,000             |
| City Engineering Administration Escrow:   | \$50,000             |
| Dump Site Cleanup Escrow  | \$4,000              |
| <b>TOTAL CASH REQUIREMENTS:</b>   | <b>\$234,295</b>     |

**38. NOTICES.** Required notices to the Developers shall be in writing, and shall be either hand delivered to the Developers, their employees or agents, or mailed to the Developers by certified mail at the following addresses: 13925 Fenway Blvd N, Hugo, MN 55042. Notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or mailed to the City by certified mail in care of the City Administrator at the following address: Lake Elmo City Hall, 3800 Laverne Avenue N. Lake Elmo, Minnesota 55042.

**39. EVIDENCE OF TITLE.** The Developers shall furnish the City with evidence of fee ownership of the property being platted by way of a title insurance policy dated not earlier than 30 days prior to the execution of the plat.

**40. COMPLIANCE WITH LAWS.** The Developers agree to comply with all laws, ordinances, regulations, and directives of the state of Minnesota and the City applicable to the Subdivision. This Agreement shall be construed according to the laws of the Minnesota.

**41. SEVERABILITY.** In the event that any provision of this Agreement shall be held invalid, illegal, or unenforceable by any court of competent jurisdiction, such holding shall pertain only to such section and shall not invalidate or render unenforceable any other provision of this Agreement.

**42. NON-WAIVER.** Each right, power, or remedy conferred upon the City by this Agreement is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, or available to the City at law or in equity, or under any other agreement. Each and every right, power, and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power, or remedy. If either party waives in writing any default or nonperformance by the other party, such waiver shall be deemed to apply only to such event and shall not waive any other prior or subsequent default.

**43. COUNTERPARTS.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be an original and shall constitute one and the same Agreement.

**CITY OF LAKE ELMO**

By: \_\_\_\_\_  
Mike Pearson  
Its: Mayor

By: \_\_\_\_\_  
Julie Johnson  
Its: City Clerk

STATE OF MINNESOTA        )  
  ) ss.  
COUNTY OF WASHINGTON    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Mike Pearson and Julie Johnson, the Mayor and City Clerk, respectively, of the City of Lake Elmo, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

\_\_\_\_\_  
NOTARY PUBLIC

**RM INVESTMENTS, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_, day of \_\_\_\_\_,  
20\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of RM Investments,  
LLC, a Minnesota limited liability company, on behalf of the company.

\_\_\_\_\_  
NOTARY PUBLIC





**MORTGAGE CONSENT TO  
DEVELOPMENT AGREEMENT**

\_\_\_\_\_, which holds a mortgage on the Property, the development of which is governed by the foregoing Development Agreement, agrees that the Development Agreement shall remain in full force and effect even if it forecloses on its mortgage.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

DRAFTED BY:  
City of Lake Elmo  
3800 Laverne Avenue North  
Lake Elmo, MN 55042  
(651) 747-3901

**CONTRACT PURCHASER CONSENT TO  
DEVELOPMENT AGREEMENT**

\_\_\_\_\_,  
which/who has a contract purchaser's interest in all or part of the Property, the development of which is governed by the foregoing Development Agreement, hereby affirms and consents to the provisions thereof and agrees to be bound by the provisions as the same may apply to that portion of the Property in which there is a contract purchaser's interest.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
\_\_\_\_\_

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_,  
20\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

DRAFTED BY:  
City of Lake Elmo  
3800 Laverne Avenue North  
Lake Elmo, MN 55042  
(651) 747-3901

**EXHIBIT A TO  
DEVELOPMENT CONTRACT**

**Legal Description of the Property Being Final Platted as  
Hidden Meadows 2<sup>nd</sup> Addition**

Outlots A and B, and Lot 1, Block 1, all in Hidden Meadows of Lake Elmo, Washington County, Minnesota.

## EXHIBIT B TO DEVELOPMENT CONTRACT

### List of Plan Documents Hidden Meadows of Lake Elmo 2<sup>nd</sup> Addition Construction Plans

The following documents prepared by Solution Blue, and Damon Farber, collectively constitute the Plans:

THOSE DOCUMENTS BY

AS FOLLOWS:

| <u>SHEET</u> | <u>TITLE</u>                         | <u>REVISION<br/>DATE</u> |
|--------------|--------------------------------------|--------------------------|
| C1           | Cover Sheet                          | 10-31-17                 |
| C1.1         | Existing Site Map                    | 10-31-17                 |
| C1.2-C1.3    | Phasing Plan                         | 10-31-17                 |
| C2.0-C.2.7   | Existing Site                        | 10-31-17                 |
| C3           | SWPPP                                | 10-31-17                 |
| C4-C5        | Site Development Plan                | 10-31-17                 |
| C6.0         | Site Area Map                        | 10-31-17                 |
| C7-C10       | Grading & Erosion Control<br>Plans   | 10-31-17                 |
| C11-C15      | Utility Plan & Profile               | 10-31-17                 |
| C16-C20      | Sanitary Sewer Plan & Profile        | 4-03-17                  |
| C21-C25      | Grading & Drainage Plan &<br>Profile | 10-31-17                 |
| C26          | Drainage Laterals                    | 10-31-17                 |
| C27          | Drainage Tab & Typ Section<br>Sheet  | 10-31-17                 |
| C28-C30      | Signage Plans                        | 10-31-17                 |
| C31-C38      | Details                              | 10-31-17                 |
| L001-L004    | Landscape Plan Sheets                | 10-30-17                 |
| WW1-WW5      | Sanitary Collection System<br>Plans  |                          |

## EXHIBIT C TO DEVELOPMENT CONTRACT

### Subdivision Improvements Cost/Security Amount Estimate

| <u>CONSTRUCTION CATEGORY</u>   | <u>COST</u>            | <u>125percent</u>      |
|--|------------------------|------------------------|
| 1 <u>Grading</u>   | \$125,000              | \$156,250              |
| 2 <u>Sanitary Sewer</u>  | \$107,890              | \$134,863              |
| 3 <u>Watermain</u>   | \$292,113              | \$365,141              |
| 4 <u>Storm Sewer (includes pond structures<br/>and outfall pipes)</u>            | \$301,130              | \$376,413              |
| 5 <u>Streets and Sidewalks</u>   | \$325,048              | \$406,310              |
| 6 <u>Trails</u>  | \$28,600               | \$35,750               |
| 7 <u>Surface Water Facilities (ponds,<br/>infiltration basins, other BMPs)</u>   | \$131,988              | \$164,984              |
| 8 <u>Street Lighting</u>   | \$36,000               | \$45,000               |
| 9 <u>Street and Traffic Signs</u>  | \$8,600                | \$10,750               |
| 10 <u>Private Utilities (electricity, natural gas,<br/>telephone, and cable)</u> | \$0                    | \$0                    |
| 11 <u>Landscaping Improvements</u>   | \$185,000              | \$231,250              |
| 12 <u>Tree Preservation and Restoration</u>                                      | \$                     | \$0                    |
| 13 <u>Wetland Mitigation and Buffers</u>   | \$9,000                | \$11,250               |
| 14 <u>Monuments</u>  | \$2,500                | \$3,125                |
| 15 <u>Erosion and Sedimentation Control</u>                                      | \$80,247               | \$100,309              |
| 16 <u>Miscellaneous</u>  | \$0                    | \$0                    |
| 17 <u>Developer's Record Drawings</u>  | \$5,000                | \$6,250                |
| <br><b><u>TOTALS</u></b>   | <br><b>\$1,784,485</b> | <br><b>\$2,230,607</b> |

## FORM OF IRREVOCABLE LETTER OF CREDIT

No. \_\_\_\_\_

Date: \_\_\_\_\_

TO: City of Lake Elmo

Dear Sir or Madam:

We hereby issue, for the account of \_\_\_\_\_ (Names of Developers) and in your favor, our Irrevocable Letter of Credit in the amount of \$\_\_\_\_\_ available to you by your draft drawn on sight on the undersigned bank.

The draft must:

- a) Bear the clause, "Drawn under Letter of Credit No. \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_, of (Name of Bank)";
- b) Be signed by the Mayor or City Administrator of the City of Lake Elmo.
- c) Be presented for payment at \_\_\_\_\_ (Address of Bank), on or before 4:00 p.m. on November 30, 20\_\_\_\_.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Lake Elmo City Administrator that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: City Administrator, City Hall, 3800 Laverne Ave. N. Lake Elmo Minnesota 55042 and is actually received by the City Administrator at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein.

This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 500.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

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

Its \_\_\_\_\_