

LAUDERDALE CITY COUNCIL MEETING AGENDA
7:30 P.M. TUESDAY, NOVEMBER 12, 2013
LAUDERDALE CITY HALL, 1891 WALNUT STREET

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. **CALL THE MEETING TO ORDER**
 2. **ROLL CALL**
 3. **APPROVALS**
 - a. Agenda
 - b. Minutes of the October 22, 2013 City Council Meeting
 - c. Claims Totaling \$114,367.11
 4. **CONSENT**
 - a. MS4 Permit Renewal Consulting Services
 - b. Supplemental Agreement with Stantec for Pedestrian Improvement Project
 - c. Resolution 111213A – Transferring Funds from Fund 304 to Fund 405
 - d. PCIC Appointment – Dan Murphy
 5. **SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS**
 - a. Recognize Trygve Hanson for his Dedication to the Park and Community Involvement Committee
 - b. St. Anthony Police Department's Citizens Academy Graduation
 6. **INFORMATIONAL PRESENTATIONS / REPORTS**
 - a. University of Minnesota Sustainability Student Evelina Knodel Regarding the November 14 Sustainability Festival
 7. **PUBLIC HEARINGS**
 - a. Zoning Amendment, Beaupre Aerial Equipment
 - b. Conditional Use Permit, Beaupre Aerial Equipment
 - c. Business Assistance Policy
 - d. Discharge of Weapons Ordinance
- Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.
8. **DISCUSSION / ACTION ITEMS**
 - a. Zoning Amendment, Beaupre Aerial Equipment
 - b. Conditional Use Permit, Beaupre Aerial Equipment
 - c. Business Assistance Policy
 - d. Discharge of Weapons Ordinance

- e. Resolution 111213B - No Fault Sewer Backup Coverage
- f. City Logo

9. ITEMS REMOVED FROM THE CONSENT AGENDA

10. ADDITIONAL ITEMS

11. SET AGENDA FOR NEXT MEETING

- a. 2014 Budget and Levy Public Hearing / Adoption
- b. Establish Recycling, Sanitary Sewer, and Storm Sewer Fees
- c. Larpenteur Avenue Pedestrian Improvement Project
- d. Zoning Ordinance Updates
- e. Eureka! Recycling Contract

12. WORK SESSION

- a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting for specific items on the agenda, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

- b. 2014 Recycling, Sanitary Sewer, and Storm Sewer Fees
- c. Community Development Update

13. CLOSED SESSION

- a. 2014-2015 Union Contract

14. ADJOURNMENT

LAUDERDALE CITY COUNCIL
MEETING MINUTES
Lauderdale City Hall
1891 Walnut Street
Lauderdale, MN 55113

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October 22, 2013

Mayor Dains called the City Council meeting to order at 7:37 p.m.

Councilors present: Mary Gaasch, Roxanne Grove, Denise Hawkinson, and Lara Mac Lean and Mayor Jeff Dains.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator; and Kevin Kelly, Deputy City Clerk.

Mayor Dains asked for changes to the meeting agenda. Mac Lean added Park and Community Involvement Committee membership to the agenda. Councilor Grove moved to approve the agenda as amended. Councilor Gaasch seconded the motion and it passed unanimously.

Councilor Mac Lean moved to approve the October 8, 2013 City Council meeting minutes. Councilor Hawkinson seconded the motion and it passed unanimously.

Councilor Hawkinson moved approval of the claims totaling \$30,796.26. Councilor Grove seconded the motion and it passed unanimously.

Councilor Gaasch moved adoption of the Consent Agenda approving the September Financial Report, 2430 Larpenteur Avenue survey, and sanitary sewer lining payment request. Councilor Grove seconded the motion and it passed unanimously.

Informational Presentation

Ramsey County Sheriff Matt Bostrom addressed the Council. Bostrom gave his annual update to the Council and spoke on the duties of the Sheriff's office. Bostrom stated the main duties are to provide detention services, secure the courts, provide patrol for seven communities, patrol the waters, and serve warrants and other court orders. Bostrom highlighted initiatives like the Safe Surrender program which is designed to lower outstanding warrant numbers and Code Red which is an emergency notification service using social media. The Sheriff's department also began purchasing black and white patrol cars to be in step with the municipal departments.

University of Minnesota Sustainability Program

The students from the U of M weren't able to address the Council. The Sustainability Festival is scheduled for November 14 from 5:30-8:00 p.m. at Silverwood Park in St. Anthony.

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October 22, 2013

The City Halloween Party will be held on October 31 from 5:00-7:00 p.m. There will be trick or treat bags and the maze again this year. Hot dogs, chips, and refreshments will be served. City Hall is accepting donations of candy and money for the event.

Public Hearing and Discussion Items:

Fees for Fire Service Ordinance:

The ordinance addresses costs incurred by the City for non-fire emergency response by the fire department. The City will cover the initial cost of the response. If the incident meets certain criteria and lasts in excess of two hours, the costs may be billed to the parties involved. This could cover such things as motor vehicle accidents, chemical spills, and rail spills. After the public hearing the Council can consider adoption of the ordinance.

Mayor Dains opened the public hearing at 8:11 p.m. No one addressed the Council and the public hearing was closed at 8:12 p.m.

Councilor Gaasch moved to adopt the Fees for Fire Service Ordinance No. 13-04. Councilor Mac Lean seconded the motion and it passed unanimously.

Joint Powers Agreement with Ramsey County for Election Equipment

Ramsey County is reviewing vendors and options in order to purchase new election equipment in 2014. Prior to purchase, the cities within the County must renew their election equipment agreement with the County.

Councilor Mac Lean moved to approve the City's entry into a Joint Powers Agreement with Ramsey County for purchase and operation of new voting equipment. Councilor Hawkinson seconded the motion and it passed unanimously.

Sanitary Sewer Lining

Butkowski stated the City received a quote from Infratech for spot repairs needed before the sewer lining project can be completed. Their method requires no excavations.

Councilor Hawkinson moved to approve the quote from Infratech for the sanitary sewer line repairs on Eustis Street and in the sanitary sewer easement area in the alley/easement behind Fulham Street. Councilor Mac Lean seconded the motion and it passed unanimously.

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Additional Items:

Councilor Mac Lean asked if the City was still recognizing residents that serve on the Park and Community Involvement Committee. Mac Lean stated the City has recognized the work of outgoing committee members in the past. Staff said we are and will prepare a certificate of recognition for an outgoing member.

Agenda items for the November 12 Council Meeting may include a discussion of the Larpenteur Avenue Project, zoning ordinance updates, the City logo, 2014 Sanitary and Storm Sewer Fees, the Citizen's Academy Graduation, and a public hearing on the proposed Business Assistance Policy.

Mayor Dains explained that the Council was moving into the work session. Work sessions are a continuation of the meeting but not aired on community television.

Mayor Dains asked if anyone wished to address the Council; no one came forward.

Work Session:

Zoning Amendment Request

Don Beaupre of Beaupre Aerial Equipment and his realtor John Young addressed the Council. Beaupre is seeking a zoning text amendment and conditional use permit to allow for his aerial equipment rental business in the City's industrial area. Beaupre addressed the question of outside storage of equipment by stating the Hamline Auto Body building will allow for nearly all equipment and materials to be stored within the building. Inside storage will also include the Beaupre trucks which will deliver the rental equipment. The Council discussed screening of the area in which the aerial equipment would be kept. Since the site is significantly lower than TH280, a 6-8 foot fence would provide minimal screening. The Council felt screening of non-aerial equipment within the supply yard should be a requirement.

Beaupre stated he worked with the Seward Neighborhood Association when he moved the business to south Minneapolis and is willing to work with the City. Beaupre also added there will be very little traffic as Beaupre delivers the equipment to work sites rather than the contractors picking up the equipment. Council members wondered what time line Beaupre needed for City approval. He stated the sooner the better and would like to move in to the building on January 1.

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Eureka! Recycling Contract

Chris Goodwin, Manager of Customer Relations at Eureka Recycling, addressed the Council. Goodwin stated Eureka is moving to single sort recycling in 2014. Goodwin stated single sort recycling will be easier for Lauderdale customers as they won't have to separate paper recycling from other recycling. Goodwin also mentioned the City could replace the current bins with carts. The Council discussed the City possibly paying for the carts from the Recycling Fund.

Business Assistance Policy Draft

This was the Council's first look at the policy. The policy emphasizes the goal of public assistance will be the creation of tax base. A public hearing must be held prior to adoption. The Council will hold a public hearing at the next Council meeting.

Community Development Update

Butkowski updated the Council on recent contact she had with representatives from Luther Seminary and the Corval Group.

There being no further business on the council agenda, Councilor Hawkinson moved to adjourn the meeting. Councilor Gaasch seconded the motion and it carried. The meeting adjourned at 9:45 p.m.

Respectfully submitted,



Kevin Kelly
Deputy City Clerk

CITY OF LAUDERDALE

CLAIMS FOR APPROVAL

November 12, 2013 City Council Meeting

Payroll

10/25/13 Payroll:	Direct Deposit # 501667-501676	\$7,345.01
10/25/13 Payroll:	Payroll Liabilities, e-payments #822E-825E	\$9,050.71
11/08/13 Payroll:	Direct Deposit # 501677-501681	\$6,208.52
11/08/13 Payroll:	Payroll Liabilities, e-payments #826E-828E	\$7,778.11

Vendor Claims

11/12/13 Claims:	Check #'s 21960-21982	\$83,984.76
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SUBTOTAL \$114,367.11

Total Claims for Approval

\$114,367.11

CITY OF LAUDERDALE

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***Claim Register©**

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OCTOBER 2013

Claim Type	Direct				
Claim#	3590	NORTH STAR BANK, CHECKING S	Ck# 000822E	10/24/2013	
Cash Payment	G 101-21701	FEDERAL TAXES		10/25/13 Payroll	\$994.56
		Invoice			
Cash Payment	G 101-21703	FICA WITHHOLDING.		10/25/13 Payroll	\$2,175.52
		Invoice			
Transaction Date	10/24/2013		NORTH STAR CHE	10100	Total \$3,170.08
Claim#	3591	ICMA RETIREMENT TRUST - 457	Ck# 000823E	10/24/2013	
Cash Payment	G 101-21705	ICMA RETIREMENT		10/25/2013 Payroll	\$3,205.98
		Invoice			
Transaction Date	10/24/2013		NORTH STAR CHE	10100	Total \$3,205.98
Claim#	3592	PERA	Ck# 000824E	10/24/2013	
Cash Payment	G 101-21704	PERA		10/25/13 Payroll	\$1,646.75
		Invoice			
Transaction Date	10/24/2013		NORTH STAR CHE	10100	Total \$1,646.75
Claim#	3593	MN DEPARTMENT OF REVENUE	Ck# 000825E	10/24/2013	
Cash Payment	G 101-21702	STATE WITHHOLDING		10/25/2013 Payroll	\$1,027.90
		Invoice			
Transaction Date	10/24/2013		NORTH STAR CHE	10100	Total \$1,027.90
	Claim Type	Direct			Tota \$9,050.71

Pre-Written Check	\$9,050.71
Checks to be Generated by the Compute	\$0.00
Total	\$9,050.71

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***Claim Register©**

110813pyrll

NOVEMBER 2013

Claim Type	Direct			Total
Claim#	3618	NORTH STAR BANK, CHECKING S	Ck# 000826E 11/7/2013	
Cash Payment	G 101-21703	FICA WITHHOLDING.	11/08/2013 Payroll	\$1,961.86
Invoice				
Cash Payment	G 101-21701	FEDERAL TAXES	11/08/2013 Payroll	\$966.39
Invoice				
Transaction Date	11/7/2013	Due 0	NORTH STAR CHE 10100	Total \$2,928.25
Claim#	3619	ICMA RETIREMENT TRUST - 457	Ck# 000827E 11/7/2013	
Cash Payment	G 101-21705	ICMA RETIREMENT	11/08/2013 Payroll	\$3,205.98
Invoice				
Transaction Date	11/7/2013	Due 0	NORTH STAR CHE 10100	Total \$3,205.98
Claim#	3620	PERA	Ck# 000828E 11/7/2013	
Cash Payment	G 101-21704	PERA	11/08/2013 Payroll	\$1,643.88
Invoice				
Transaction Date	11/7/2013	Due 0	NORTH STAR CHE 10100	Total \$1,643.88
	Claim Type	Direct	Tota	\$7,778.11

Pre-Written Check	\$7,778.11
Checks to be Generated by the Compute	\$0.00
Total	\$7,778.11

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NOVEMBER 2013

Check Amt Invoice Comment

10100 NORTH STAR CHECKING

		Check Amt	Invoice	Comment
10100 NORTH STAR CHECKING				
Paid Chk#	021960	11/12/2013	AFSCME	
G 101-21709	UNION DUES	\$110.00		10/13 Union Dues
	Total AFSCME	\$110.00		
Paid Chk#	021961	11/12/2013	AMERIPRIDE	
E 101-43000-228	MISC REPAIRS MAINT SUPPLIE	\$219.33		2 Boxes of Paper Towels and Box of Toilet Paper
	Total AMERIPRIDE	\$219.33		
Paid Chk#	021962	11/12/2013	CEMSTONE	
E 602-49100-228	MISC REPAIRS MAINT SUPPLIE	\$307.80		Storm Sewer Repair
	Total CEMSTONE	\$307.80		
Paid Chk#	021963	11/12/2013	CITY OF FALCON HEIGHTS	
E 101-42100-321	FIRE CALLS	\$457.68		10/13 Fire Calls
E 101-42100-320	FIRE CONTRACT	\$15,890.00		2013 Readiness to Serve
	Total CITY OF FALCON HEIGHTS	\$16,347.68		
Paid Chk#	021964	11/12/2013	CITY OF ROSEVILLE	
E 101-41200-306	CONSULTING FEES	\$787.00		11/13 IT Services
E 101-41200-391	TELEPHONE/PAGERS	\$95.40		11/13 Phone Services
	Total CITY OF ROSEVILLE	\$882.40		
Paid Chk#	021965	11/12/2013	CITY OF ST ANTHONY	
E 101-42100-319	POLICE CONTRACT	\$50,169.17		11/13 Police Contract
	Total CITY OF ST ANTHONY	\$50,169.17		
Paid Chk#	021966	11/12/2013	GLTC PREMIUM PAYMENTS	
G 101-21706	HEALTH INSURANCE	\$50.90		11/13 Long Term Care Plan
	Total GLTC PREMIUM PAYMENTS	\$50.90		
Paid Chk#	021967	11/12/2013	GOPHER STATE ONE-CALL	
E 101-43400-386	GOPHER STATE ONE CALL	\$42.05		10/13 Locates
	Total GOPHER STATE ONE-CALL	\$42.05		
Paid Chk#	021968	11/12/2013	HOME DEPOT CRC	
E 101-45200-228	MISC REPAIRS MAINT SUPPLIE	\$79.46		Insecticide, Lopper, Garbage Bags and Antifreeze
	Total HOME DEPOT CRC	\$79.46		
Paid Chk#	021969	11/12/2013	ICMA	
E 101-41200-438	DUES & SUBSCRIPTIONS	\$695.90		2014 ICMA Membership - HB
E 101-41200-438	DUES & SUBSCRIPTIONS	\$175.00		2014 ICMA Membership -KK
	Total ICMA	\$870.90		
Paid Chk#	021970	11/12/2013	KONICA MINOLTA	
E 101-41200-401	COPIER CONTRACT	\$259.17		11/13 Copier Contract
	Total KONICA MINOLTA	\$259.17		
Paid Chk#	021971	11/12/2013	LILLIE SUBURBAN NEWS	

CITY OF LAUDERDALE

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NOVEMBER 2013

			Check Amt	Invoice	Comment
E 101-41100-352	PUBLIC INFO NOTICES		\$223.25		Public Notice - Animal Control and Fire Service Fee Ordinances
E 101-41200-352	PUBLIC INFO NOTICES		\$85.50		Public Notice - CUP
	Total LILLIE SUBURBAN NEWS		\$308.75		
<hr/>					
Paid Chk#	021972	11/12/2013	MET-COUNCIL ENVIRONMENTAL SER.		
E 601-49000-387	WATER TREATMENT SERVICE		\$9,859.25		12/13 waste water treatment
	otal MET-COUNCIL ENVIRONMENTAL SER.		\$9,859.25		
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Paid Chk#	021973	11/12/2013	NORTH STAR BANK, PETTY CASH		
E 201-45600-440	MEETING EXPENSES		\$27.00		PCIC Pizza
E 201-45600-379	HALLOWEEN EVENT		\$27.98		Meat & Cheese Tray for Halloween Party
E 201-45600-379	HALLOWEEN EVENT		\$5.38		Lightsticks for Halloween Party
E 201-45600-379	HALLOWEEN EVENT		\$8.75		Ice for Halloween Party
E 201-45600-379	HALLOWEEN EVENT		\$21.02		Halloween Bags for Kids
E 101-41200-331	TRAVEL EXPENSE		\$6.00		U of M Parking
E 101-41200-201	GENERAL SUPPLIES		\$2.04		Coffee Filters
E 101-41200-308	TRAINING\CONFERENCES		\$15.00		MGFOA Mtg. - JB
E 101-41200-201	GENERAL SUPPLIES		\$1.38		Furnace Filter
E 101-43000-442	MISC		\$25.00		Tire Recycling Fee
E 201-45600-377	DAY IN THE PARK		\$20.42		Tennis Raquet Replaced
E 201-45600-379	HALLOWEEN EVENT		\$23.56		Parts for Halloween Maze
E 101-41200-308	TRAINING\CONFERENCES		\$30.00		APMP Conf. - JB
E 101-41200-308	TRAINING\CONFERENCES		\$30.00		APMP Conf. - KK
E 101-41200-201	GENERAL SUPPLIES		\$6.04		Cleaning Supplies and Sugar
E 101-41200-203	POSTAGE		\$6.11		Certified Letter
E 101-43400-327	OTHER SERV- SEWER/NPDES I		\$30.00		Ramsey County Registrar
E 101-41200-201	GENERAL SUPPLIES		\$68.47		Office Supplies
E 201-45600-440	MEETING EXPENSES		\$27.00		PCIC Pizza
	Total NORTH STAR BANK, PETTY CASH		\$381.15		
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Paid Chk#	021974	11/12/2013	RAMSEY COUNTY, PROP REC & REV		
E 101-41200-355	MISC PRINTING/PROCESS SER		\$25.00		11/13 Employee Insurance
E 101-42100-355	MISC PRINTING/PROCESS SER		\$6.24		10/13 800 MHz radio license & 911 Dispatch
E 101-42100-318	911 Dispatch		\$1,097.65		10/13 800 MHz radio license & 911 Dispatch
G 101-21706	HEALTH INSURANCE		\$453.90		11/13 Employee Insurance
E 203-50000-327	OTHER SERV- SEWER/NPDES I		\$331.50		2013 Recycling Contract Charges
E 304-47400-621	FILE MAINTENANCE CHARGES		\$242.50		2013 Special Assessment
	Total RAMSEY COUNTY, PROP REC & REV		\$2,156.79		
<hr/>					
Paid Chk#	021975	11/12/2013	RAPIT PRINTING		
E 101-41200-353	NEWSLETTER PRINTING		\$675.94		4Q2013 Newsletter Printing
	Total RAPIT PRINTING		\$675.94		
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Paid Chk#	021976	11/12/2013	ST PAUL REGIONAL WATER SERVICE		
E 101-45200-382	WATER		\$63.61		3Q13 Water Service
E 101-43000-382	WATER		\$45.73		3Q13 Water Service
E 601-49000-382	WATER		\$18.53		3Q13 Water Service

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			Check Amt	Invoice	Comment
total ST PAUL REGIONAL WATER SERVICE			\$127.87		
Paid Chk#	021977	11/12/2013 ST PAUL STAMP WORKS INC.			
E	101-41200-201	GENERAL SUPPLIES	\$83.59		Pet Registry Tags
Total ST PAUL STAMP WORKS INC.			\$83.59		
Paid Chk#	021978	11/12/2013 SUBURBAN ACE HARDWARE			
E	101-43000-228	MISC REPAIRS MAINT SUPPLIE	\$22.64		Paint Supplies
Total SUBURBAN ACE HARDWARE			\$22.64		
Paid Chk#	021979	11/12/2013 UNIVERSITY OF MINNESOTA			
E	101-43400-308	TRAINING\CONFERENCES	\$500.00		2014 Building Officials Inst. - DH
Total UNIVERSITY OF MINNESOTA			\$500.00		
Paid Chk#	021980	11/12/2013 WASTE MANAGEMENT			
E	101-43000-384	REFUSE DISPOSAL	\$202.30		11/13 PW Waste Refuse
Total WASTE MANAGEMENT			\$202.30		
Paid Chk#	021981	11/12/2013 XCEL ENERGY, CITY HALL			
E	101-43000-383	GAS UTILITIES	\$85.43		10/13 City Utilities
E	101-43000-381	ELECTRIC	\$186.75		10/13 City Utilities
Total XCEL ENERGY, CITY HALL			\$272.18		
Paid Chk#	021982	11/12/2013 XCEL ENERGY, STREET LIGHTING			
E	101-43000-380	STREET LIGHT UTILITY	\$55.44		10/13 Bridge Lights
Total XCEL ENERGY, STREET LIGHTING			\$55.44		
10100 NORTH STAR CHECKING			\$83,984.76		

Fund Summary

10100 NORTH STAR CHECKING	
101 GENERAL	\$73,064.07
201 COMMUNITY EVENTS	\$161.11
203 RECYCLING	\$331.50
304 03 ST/UTIL IMP DEBT SERVICE	\$242.50
601 SEWER UTILITIES	\$9,877.78
602 STORM SEWER ENTERPRISE FUND	\$307.80
	\$83,984.76

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date November 12, 2013

ITEM NUMBER MS Permit Renewal

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Cities' Municipal Separate Storm Sewer System (MS4) permits expired in 2011 but it wasn't until recently that the MPCA issued the new permit language. Staff will take an initial stab at completing the permit but the City's stormwater engineer will need to review and complete it. The permit needs to be submitted by December 2 to the MPCA. Attached is the budget for engineering assistance for the permit renewal.

OPTIONS:

STAFF RECOMMENDATION:

By approving the Consent Agenda, the Council approves contracting with Stantec for storm water engineering services for the MS4 permit renewal.

COUNCIL ACTION:

Scope of Services - MS4 Stormwater General Permit Submittal

October 4, 2013

Required Tasks	Stantec Estimated Hours	Comments
Task 1: MS4 Permit Application and SWPPP Document Preparation		
a. General Contact Information	0.5	Fill out general contact information section
b. Identifying Partnerships (Section I)	0.5	City to provide Stantec with partnership documentation showing partnership history and the MCMs involved in the partnership
c. Description of Regulatory Mechanisms (Section II)	10.0	Review the City's regulatory mechanisms for illicit discharges, construction site stormwater runoff control, and post-construction stormwater management and provide appropriate documentation. A task list and schedule will be developed to update the City's existing regulatory mechanisms to address deficiencies in meeting permit requirements.
d. Enforcement Response Procedures (ERPs) (Section III)	3.0	Provide a task list and schedule to complete this permit requirement. Discussion with City staff will be necessary to develop task list and schedule.
e. Storm Sewer System Map and Inventory (Section IV)	1.0	Review the City's storm sewer system map and inventory to see if it meets the permit requirements. A task list and schedule will be developed for any deficiencies in meeting permit requirements.
f. MCM 1: Public Education and Outreach (Section V.A)	1.0	Review and describe the City's current public education and outreach program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
g. MCM 2: Public Participation and Involvement (Section V.B)	1.0	Review and describe the City's current public participation and involvement program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
h. MCM 3: Illicit Discharge Detection and Elimination (Section V.C)	2.0	Review and describe the City's current illicit discharge program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
i. MCM 4: Construction Site Stormwater Runoff Control (Section V.D)	2.0	Review and describe the City's current construction site stormwater runoff control program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
j. MCM 5: Post-Construction Stormwater Management (Section V.E)	2.0	Review and describe the City's current post-construction stormwater management program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
k. MCM 6: Pollution Prevention/Good Housekeeping for Municipal Operations (Section V.F)	2.0	Review and describe the City's current pollution prevention/good housekeeping program efforts. Consult with the City to identify additional program efforts necessary for permit compliance.
Task 2: Meetings		
a. Kickoff meeting with City staff to discuss the MS4 application	2.0	Meeting held prior to filling out the application to get information from City and assign tasks (2 Stantec employees to attend)
b. Pre-submittal meeting with City staff to discuss the MS4 application and any additional tasks and task schedules necessary to meet the permit requirements	1.0	If the City does not have certain permit requirements completed at the time of submittal, specific tasks and a schedule must be provided in the application to address the requirement (2 Stantec employees to attend)
Task 3: Prepare List of Required Tasks to Complete Action 2		
a. Prepare an itemized list of tasks, including a proposed completion schedule and preliminary cost estimate, to bring the City into compliance with the new MS4 permit	12	
Estimated Hours	40.0	
Estimated Stantec Labor Cost	\$4,800	Assume a billing rate of \$120/hour
Reimbursable Expenses	\$60	Mileage to attend meetings and printing costs
Total Proposed Fee to Complete Action 1	\$4,860	



2335 Highway 36 West
St. Paul MN 55113
Tel: (651) 636-4600
Fax: (651) 636-1311

November 6, 2013
File: 193899000

Attention: Heather Butkowski
City of Lauderdale
1891 Walnut Street
Lauderdale MN 55113

Dear Heather,

Reference: MS4 Stormwater General Permit Assistance Scope of Services

The purpose of this letter is to provide the City of Lauderdale with a scope of service proposal to assist the City in meeting the submittal requirements of the new Municipal Separate Storm Sewer System (MS4) permit issued by the Minnesota Pollution Control Agency (MPCA).

Since the inception of the MS4 permit in 2003, Stantec has periodically been assisting the City of Lauderdale in the implementation of the City's Stormwater Pollution Prevention Plan. We look forward to continuing to assist the City in achieving compliance with the new MS4 permit.

Background

On August 1, 2013, the new MS4 stormwater general permit for Minnesota became effective. With this action, all current MS4s must complete a set of tasks and prepare a set of submittals to the Minnesota Pollution Control Agency (MPCA) to meet the MS4 permit requirements. It is our opinion that the process for Lauderdale's compliance with the MS4 permit should be broken into two actions: Action 1 should proceed immediately and Action 2 can proceed as early as once Action 1 is submitted. Each part is described below:

MS4 Permit Compliance – Action 1

Action 1 involves the submittal of the MS4 Permit Application Form and Stormwater Pollution Prevention Program Document (SWPPP Document) to the MPCA. The Application Form and SWPPP Document are provided in a 13-page form (attached for reference) from the MPCA that each permittee must complete by the date designated by the MPCA. The City of Lauderdale is required to submit the completed form by December 2, 2013. This effort will complete Action 1. A scope and estimated cost to assist the City with completing Action 1 is provided in subsequent sections of this letter.

Please note that the SWPPP Document may be significantly more concise than your current SWPPP, but it is still a set of legally enforceable commitments on the part of your city describing how you will manage stormwater in your jurisdiction. Therefore, it must be prepared with care.



Reference: MS4 Stormwater General Permit Assistance Scope of Services

MS4 Permit Compliance – Action 2

With the submittal of Action 1 to the MPCA, MS4 Permit Compliance Action 2 can proceed. After the application form and SWPPP Document is submitted (Action 1) the City can expect the following:

1. MPCA staff will review your submittals and issue a preliminary approval. They may wish to work with you during this review if they believe your submittals need to be revised.
2. The MPCA's preliminary approval and your submittal materials will be released for statewide public notice and comment. The comment period will probably be 30 days.
3. The MPCA staff will review and respond to any comments submitted during the statewide public notice and comment period. They may wish to work with you during this review if they want you to respond to comments or they believe your submittals need to be revised.
4. The MPCA will issue a final approval and you will receive a written notice of final approval of your application from the MPCA Commissioner. The date of this letter will be the date that coverage under the new MS4 general permit is extended to your city.

Once this acceptance procedure is complete, the City will have 12 months after the date of permit coverage extension (see #4 above) to fully comply with the new permit requirements. The process of full compliance with the new MS4 permit requirements is considered Action 2 of MS4 Permit Compliance. As mentioned above, Action 2 can begin once Action 1 is submitted to the MPCA and must be completed within 12 months of the date of permit coverage extension. The scope of Action 2 will be identified through the completion of the Action 1, and will be provided to the City at a later time.

MS4 Permit Compliance Action 1 – Scope of Services

The following scope of service to assist the City in completing Action 1 of the MS4 permit compliance is divided into three tasks, as described below. A detailed breakdown of the each task is provided in the attached detailed scope of services and estimated cost spreadsheet.

Task 1: MS4 Permit Application and SWPPP Document Preparation

This task will include an inventory and evaluation of the City's existing stormwater management program, a review of the Best Management Practices (BMPs) in the City's current SWPPP, a review of regulatory mechanisms, and an evaluation of potential partnerships with Rice Creek Watershed District and other regulatory entities. Following these efforts, Stantec will fill out the MS4 Permit Application Form and SWPPP Document for City to review.

Task 2: Meetings

We propose two meetings with City staff to complete Action 1. The first meeting will be a kickoff meeting to discuss the scope of Action 1 and determine responsibilities to complete various components of Action 1. The second meeting will be a pre-submittal meeting with the City to review the draft Application Form and SWPPP Document prepared by Stantec.

Task 3: Prepare List of Required Tasks to Complete Action 2

As we are proceeding with Task 1 as described above, we will be noting various items that the City must address following the submittal of the Application Form and SWPPP Document. We will



November 6, 2013
Heather Butkowski
Page 3 of 4

Reference: MS4 Stormwater General Permit Assistance Scope of Services

create a list of required items along with a description, proposed schedule, and preliminary cost estimate for Stantec to prepare the items. From this list, we could then work with the City to determine how to proceed with each of the items.

MS4 Permit Compliance Action 1 – Proposed Fee

We propose a total estimated fee of \$4,860 to complete Tasks 1-3 for Action 1. The total includes miscellaneous expenses and expenses related to preparing the above referenced Application Form and SWPPP Document.

As mentioned above, Task 3 will provide the City with a list of tasks, proposed schedule, and an estimated Stantec fee to complete the items in Action 2 to bring the City into full compliance with the new MS4 permit.

MS4 Permit Compliance Action 1 – Schedule

Given written authorization to proceed, we would like to start completing a draft SWPPP document since we met with the City in October. The second meeting with the City to present the draft Application Form and SWPPP Document will be scheduled for late November. Following this second meeting, we will finalize the Application Form and SWPPP Document work with the City to submit the information by the December 2nd submission deadline.

We value our long standing working relationship with the City of Lauderdale and appreciate the opportunity to assist the City in achieving full MS4 permit compliance. Please find the attached agreement signature blocks at the end of this letter which will act as authorization to proceed. If you have additional questions, please feel free to call me at 651-604-4801.

Regards,

STANTEC CONSULTING SERVICES INC.

A handwritten signature in black ink, appearing to read "Phillip A. Elkin".

Phillip A. Elkin, PE
Senior Project Manager
Tel: (651) 604-4832
Fax (651) 636-1111
Phillip.Elkin@stantec.com

Attachment: MS4 Permit Detailed Scope and Cost Spreadsheet



November 6, 2013
Heather Bułkowski
Page 4 of 4

Reference: MS4 Stormwater General Permit Assistance Scope of Services

c. Paul Bilotta

Agreement Form

City of Lauderdale, Minnesota

Stantec Consulting Services Inc.

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date November 12, 2013
ITEM NUMBER LA Pedestrian Improvement
STAFF INITIAL
APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

At various points in the planning process, the Council has directed Stantec to continue developing the concepts for the Larpenteur Avenue pedestrian improvement project. Now that the design phase is coming to an end and the bidding phase is about to begin, they would like to update the agreement to reflect the expansion of the project from TH280 to Eustis to TH280 to Fulham.

Two seconds ago I got off the phone with Geoff Martin. The County is now indicating the plan needs Mn/DOT review. We are scratching our heads to understand why but it means the updated agreement is on pause until we hear if Mn/DOT gets to review. Geoff expects to get this cleared before our meeting. I will send out the info in advance if it does.

OPTIONS:

STAFF RECOMMENDATION:

COUNCIL ACTION:

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date November 12, 2013

ITEM NUMBER Fund Transfer

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Over the past couple of years, transfers were made from the TIF district (Fund 405) to pay off bonds from the street improvement projects (Funds 302-303) and supplement gaps in funding on the final bond which will be paid off in February 2015 (Fund 304). Based on staff review of the current cash balance, outstanding special assessments, and projected investment interest versus the outstanding bond balance, it appears the 304 debt service account may have been overfunded by about \$10,000. This money needs to be transferred back to the TIF fund before it is closed. The attached motion would do that.

OPTIONS:

STAFF RECOMMENDATION:

By approving the Consent Agenda, the Council approves Resolution 111213A—A Resolution Transferring Fund Balance from Fund 304 to Fund 405.

COUNCIL ACTION:

ACTION REQUESTED	LAUDERDALE COUNCIL
Consent <u> X </u>	MEETING DATE <u> November 12, 2013 </u>
Special <u> </u>	ITEM NUMBER <u> PCIC Appointment </u>
Public Hearing <u> </u>	STAFF INITIAL <u> Jim </u>
Report <u> </u>	APPROVED BY ADMINISTRATOR <u> </u>
Discussion/Action <u> </u>	
Resolution <u> </u>	
Work session <u> </u>	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The following applicant has applied for appointment to the committee:

- 1) Dan Murphy, 1938 Carl Street.

Dan is interested in returning to the committee. He was a member for parts of 2004 & 2005. As you can see from his application, Dan is also interested in starting a club of some sort. He thought about model airplanes and optics, but settled on wanting to start a coffee club. Appointing Dan would bring the number of members to seven including Matt Eisenschenk, Monica Gallagher, , April Brandt, Annie Downing, Nate Downing, and Marilyn Smith.

OPTIONS:

- 1) Appoint Dan Murphy to the Park & Community Involvement Committee.
- 2) Do not appoint Dan Murphy to the Park & Community Involvement Committee.

STAFF RECOMMENDATION:

By approving the consent agenda, you are appointing Dan Murphy to the Park & Community Involvement Committee for a two year term.

COUNCIL ACTION:

Paula Moyer 52@game'mail.com

City of Lauderdale

1891 Walnut Street • Lauderdale • Minnesota 55113
Phone: 651-792-7650 Fax: 651-631-2066

Attention: Dan

VOLUNTEER APPLICATION

Name: Dan Murphy Phone Number: 651-633-6612
Address: 1938 Carl St. Cell Number: _____
City: Lauderdale State MN Zip: 55113
E-mail: _____

AREAS OF INTEREST Garden Club Neighborhood Watch Other *show*

I would like to be appointed to the Park and Community Involvement Committee (PCIC)
- Meets about once/month on 1st or 3rd Mondays at 6:30 p.m. at city hall.

I do not wish to be appointed to the PCIC, but would like to help with the following Special Events:

Snow Commotion City Wide Garage Sale Music under the Trees
 Day in the Park Community Run/Walk Halloween

Please list any special hobbies, skills or talents which you are willing to share

→ interesting model aviation club
& optic club Coffee club

If you are seeking an appointment to the PCIC, please provide a short paragraph summarizing why

starting one in Lauderdale
any one else is interested

Briefly describe your background, experience and any other information not previously given which you believe should be considered regarding the appointment you are seeking.

Participation Waiver: I, the undersigned, do hereby agree to participate in the aforementioned activity(ies) and I further agree to indemnify and hold the City harmless from and against any and all liability for any injury which may be suffered by the aforementioned individual(s) rising out of, or in any way connected with, his/her participation in this activity. The City periodically takes pictures or video of participants during meetings, special events and programs. Please be aware that these photos or video may be used in the City's brochures, pamphlets or cable presentations. If you or your family members do not want to be photographed or published you must give us written notice.

Applicant's Signature Dan Murphy

Applicant's Name Printed _____

Date 10/31/13

ACTION REQUESTED	LAUDERDALE COUNCIL
Consent _____	MEETING DATE <u>November 12, 2013</u>
Special <u>X</u> _____	ITEM NUMBER <u>Trygve Hansen Certificate</u>
Public Hearing _____	STAFF INITIAL <u>Jim</u>
Report _____	APPROVED BY ADMINISTRATOR _____
Discussion/Action _____	
Resolution _____	
Work session _____	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Trygve Hansen, 1907 Eustis Street, announced at the last PCIC meeting he is resigning from the committee because he and his family are moving to St. Anthony Park. Trygve has been a valuable member and will be missed. Trygve has contributed in the following ways:

- Member of the committee since 7/22/08.
- Vice-Chair of committee for over a year, Sep. 2008– Dec. 2009.
- Chaired the committee for 3 years, 2010-2012.
- City event planning.
- Park & open space planning.
- Made the modern wood donation boxes for events.
- Painted the sandwich board signs.

OPTIONS:

- 1) Thank Trygve and present him with the certificate.
- 2) Do not thank Trygve and present him with the certificate.

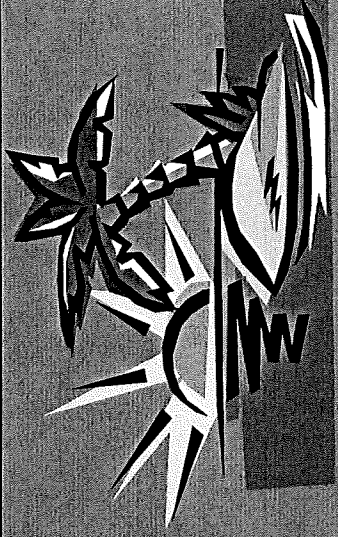
STAFF RECOMMENDATION:

Thank Trygve and present him with the certificate.

COUNCIL ACTION:

Certificate of Appreciation

IN RECOGNITION OF VALUABLE CONTRIBUTIONS
TO THE CITY OF LAUDERDALE AND THE
PARK & COMMUNITY INVOLVEMENT COMMITTEE



THIS CERTIFICATE IS AWARDED TO

Trygve Hansen

Signature

Date

ACTION REQUESTED	LAUDERDALE COUNCIL
Consent _____	MEETING DATE <u>November 12, 2013</u>
Special _____	ITEM NUMBER <u>Zoning Amendment Application</u>
Public Hearing <u>X</u>	
Report _____	STAFF INITIAL <u>Jim</u>
Discussion/Action <u>X</u>	APPROVED BY ADMINISTRATOR _____
Resolution _____	
Work session _____	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

See attached memo.

OPTIONS:

STAFF RECOMMENDATION:

COUNCIL ACTION:

M E M O

DATE: NOVEMBER 12, 2013
TO: HONORABLE MAYOR AND COUNCIL
FROM: JIM BOWNIK, ASSISTANT CITY ADMINISTRATOR
/ ZONING ADMINISTRATOR
RE: ZONING AMENDMENT APPLICATION FOR 2520 BROADWAY DRIVE

BACKGROUND

PROPOSAL: Request to amend the Zoning Ordinance to allow for construction equipment rental, leasing, and sales as a conditional use in the I-1 Industrial District.

APPLICANT:
Beaupre Aerial Equipment
2400 Minnehaha Avenue S
Minneapolis, MN 55420

PROPERTY OWNER:
HHC, Inc.
10107 University Avenue NE
Blaine, MN 55434

PROPERTY LOCATION:
2520 Broadway Drive
Lauderdale, MN 55113

Attached is the zoning amendment application from Beaupre Aerial Equipment and HHC, Inc. for your review.

ZONING AMENDMENT REQUEST

The applicants are proposing to relocate their aerial lift equipment business from its current location at 2400 Minnehaha Avenue South to this location. This business involves renting lift equipment to contractors.

According to Title 10-6-1 of the Lauderdale City Code, construction equipment rental, leasing, and sales facilities are not specifically listed as a permitted use or as an approved conditional use in the I-1 District. Thus, this use is currently not allowed in this district.

PROPERTY INFORMATION

HHC, Inc. recently acquired the 3.1 acre site from MGH Enterprises (Hamline Auto Body). Access to this site is via a private service road from Broadway Drive to the north. Phillips Holdings (Boyer Trucks) made a guarantee of access to the site through final plat approval for Broadway Business Park in 2001.

REQUIREMENTS FOR APPROVAL OF A ZONING AMENDMENT REQUEST

The City Council may by a simple majority vote of all its members amend the Zoning Ordinance as proposed by the City Council, by the Planning Commission or by a petition of a person owning property within Lauderdale.

PUBLIC HEARING FOR THE ZONING AMENDMENT REQUEST

On November 1, 2013, all property owners within the I-1 District and 350 feet of the subject property were sent notice of tonight's public hearing. A Public Notice was also published in the October 29, 2013 edition of the *Roseville Review*.

CITY COUNCIL ACTION REQUESTED

Staff recommends the council motion approval of the zoning amendment request. If approved, the amendment to the zoning ordinance will be published in the *Roseville Review*. If the council motions denial of the request, please state the rational for denial in the motion.

received 10-10-13 JB

City of Lauderdale

MAIN 651-792-7650

LAND USE APPLICATION

Date: October 9, 2013

<u>Fee</u>	<u>Escrow</u>	<u>Type of Request</u>	<u>Description of Request</u>
\$100	\$ 0	<input type="checkbox"/> Lot Consolidation/Division	<u>Conditional Use permit</u>
\$150	\$ 0	<input type="checkbox"/> Variance	<u>and text change</u>
\$200	\$ 0	<input checked="" type="checkbox"/> Conditional Use	<u>to II Zoning Ordinance</u>
\$500	\$1,000	<input checked="" type="checkbox"/> Zoning Amendment	
\$500	\$1,000	<input type="checkbox"/> Subdivision	
\$500	\$1,000	<input type="checkbox"/> PUD	

Applicant Information

Name: Beaupre Aerial Equipment
 Address: 2400 Minnehaha Ave South
 C, S, Z: Minneapolis MN 55420
 Phone: 612-338-3336
 Email: dbeaupre@beaupre-inc.com
 Signature: [Signature]

Owner Information (if different)

Name: HHC, Inc.
 Address: 10107 University Ave. NE
 C, S, Z: BLAINE, MN 55434
 Phone: 763-235-4441
 Email: jjikas@costrustbank.com
 Signature: [Signature]

By signing above, the applicant agrees to pay the application fee and deposit an escrow fee to cover the city's consultants' costs associated with reviewing the associated request. Prior to having the request considered by the city, the applicant must deposit an escrow fee in an amount that is estimated to cover the city's consultants' costs as determined by the city administrator. If the city's consultants' costs exceed the initial escrow deposited by the applicant, an additional escrow fee will be required to cover the additional costs. The city shall use the applicant's fees to cover the city's actual consultants' costs in reviewing the request regardless of the city's action on the applicant's request. If the applicant's escrow fees exceed the city's actual consultants' costs for reviewing the request, the remaining escrow fees shall be refunded to the applicant.

Review Timeline: All applications, other than concept plans, must be complete before being formally reviewed. Minnesota Statute provides 15 days to determine the application's completeness. Completeness depends on whether or not the checklist items are fulfilled.

Checklist: Please review the checklist for the type of application you are applying for.

For Office Use Only	PIN#
Date of Complete Application: <u>10-10-13</u>	Amount Paid: <u>700</u> Receipt # <u>11175</u>
Escrow Fee Paid: <u>1200</u>	Receipt # <u>11177</u> Date Escrow Returned: _____
PC Recommendation (approve/deny): _____	Meeting Date: _____
Public Hearing Date: _____	CC Action: (approved/denied) Meeting Date: _____
Conditions? _____	



I am the owner of Beaupre Aerial Equipment. After a 17-year NHL career, I searched for a business opportunity for my second career. In 1999 I started an aerial lift equipment leasing business with a partner in Minneapolis. That business partnership ended in 2003 when I sold the business to my partner. With the advice and help of my one-time CPA and business advisor, I started Beaupre Aerial Equipment in 2003

It was a great time to start an aerial lift leasing business. Construction and development of residential, commercial, and industrial properties was proceeding at a record breaking pace. The integral part of this business is to build relationships with contractors who need to lease the lift equipment for their projects. General contractors; heating, ventilating, and cooling; electrical, steel erectors and other types of contractors are the primary types of Beaupre customers.

I began the business in a rented building in the Warehouse District of Minneapolis with 8 employees, a fleet of 200 man lifts, 2 delivery trucks and 1 service vehicle. In March of 2004 the company moved to its current home at 2400 Minnehaha Avenue South in Minneapolis. At that time we had already grown to be a 350 man lift fleet.

In 2009, with the TCF Bank Stadium and Target Field in full construction phase, our workforce and fleet expended significantly. As of today we have roughly 1,000 man lifts, 30 employees, 6 trucks and 4 service vans. Now, our business is growing at 20% per year and we are out of space in our current building. With the new Vikings Stadium, Mall of America expansion, City of Rochester/Mayo Clinic expansion and other projects on the horizon we project our growth to continue over the next few years.

Customers typically do not come to our location to pick up or drop off equipment. We deliver our equipment directly to our customers' project sites. Our salespeople talk to our customers everyday either in person or over the phone and process orders for equipment. We have a catalog with all of our equipment and many customers use our website to assist them in determining their equipment needs. Most of the time, our customers know in advance that they will need a lift. We also use our expertise to help our customers determine their equipment needs.

Our day to day business activity consists of our 6 delivery trucks delivering between 30 and 40 lifts to various job sites and picking up a similar number and returning them to our service department for washing, inspection and repair if needed. The lifts are staged to return to rent. Four of our delivery trucks hold an average of 6 lifts per load and two of our trucks take 1 or 2 of our bigger lifts at a time.



Our repairs include: oil changes, tire repairs and minor engine repairs, all of which is done indoors. Spare parts such as wheels, hydraulic hoses, etc... are all stored indoors. We do not paint our equipment and all of the paint booths currently in the building will be removed by the current tenant/owner. We do not generate a lot of waste. Our waste typically consists of used oil and filters, scrap metal from used parts and fluorescent light bulbs. All items are collected and recycled or disposed of according to MPCA, County and City guidelines.

The 2520 Broadway building is an ideal fit for us because it has a large warehouse where we can store, wash, and repair our equipment. If a lift is not leased out to a customer, it is stored inside the warehouse. The outdoor space is where equipment is staged for either loading out to customers or returning back to the building. Most, and usually all of our delivery vehicles are stored inside at night. Also, the site itself has more than enough parking for our employees.

Any noise we would make from our vehicles would blend in with what is already there between Boyer Trucks on one side, railroad tracks on the other and 280 traffic next to us. Our equipment is not noisy. Most of it runs on electricity/battery and a small amount of our fleet is powered with small engines. The only noise we will generate will be from our delivery trucks dropping off and picking up equipment. Most of the equipment is actually driven under its own power onto the trucks. There will be some occasions where we use a forklift to lift a small piece of equipment onto a truck.

We do not generate any odors as a result of our operations. The only odor would come from our delivery trucks. We do not use any chemicals or other material that would generate an odor that would disturb the industrial neighbors or the residences east of Highway 280.

Our delivery truck fleet consists of the following: 2 flatbed semi-trucks, 4 flatbed straight trucks and 4 service vans. We are confident that the site can easily handle our truck traffic and we will have plenty of space on the site.

We plan on making two changes to the exterior of the building. First we will remove the car wash that is currently on the north end of the property since it cannot be used for our equipment. Car washes are costly to operate and maintain, and we do not want to attract more traffic to the site that is not related to our use. Also we plan to modify the dock on the south side of the building to accommodate our trucks by repurposing the concrete panels from the car wash to provide an enclosed loading area for two flatbed trucks.

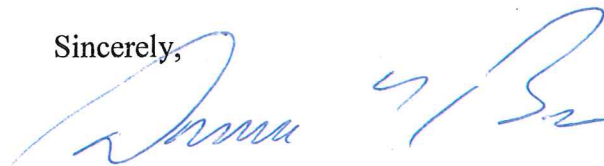
BEAUPRE

AERIAL EQUIPMENT

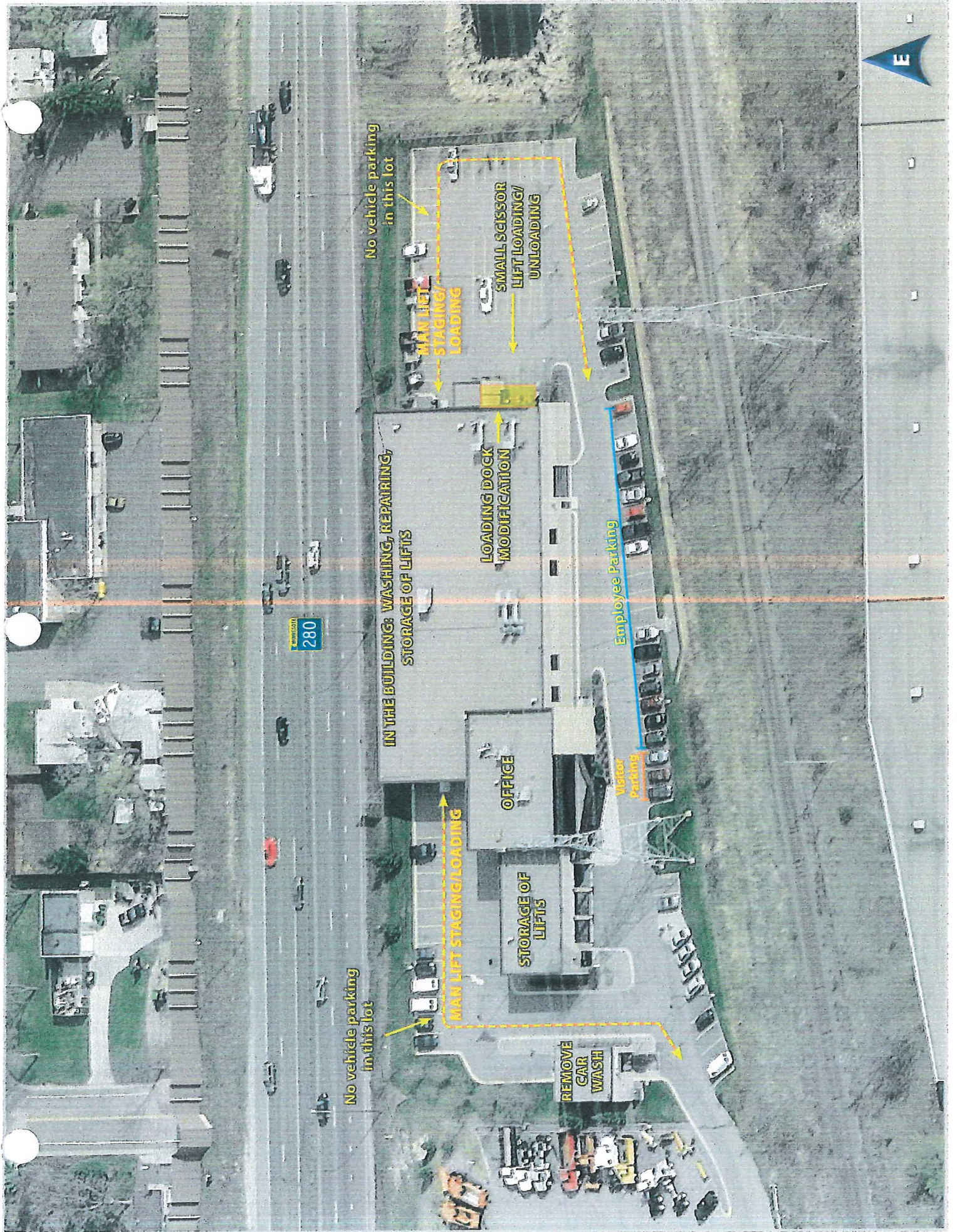
We are now located on the perimeter of a residential area in Minneapolis and have had no complaints of any kind in nearly 10 years from our neighbors or from the "Seward Neighborhood Group" who was instrumental in helping us obtain our conditional use permit from the city of Minneapolis. We know that the Broadway location is even more isolated from residential neighbors, but we will continue to run our business responsibly and make sure it is attractive and well maintained. After all, we have a good reputation and we want to keep it.

Thank you for your time and consideration.

Sincerely,



Don Beaupre
President



280

No vehicle parking in this lot

No vehicle parking in this lot

MAN LIFT STAGING/LOADING

MAN LIFT STAGING/LOADING

STORAGE OF LIFTS

IN THE BUILDING: WASHING, REPAIRING, STORAGE OF LIFTS

OFFICE

LOADING DOCK MODIFICATION

REMOVE CAR WASH

SMALL SCISSOR LIFT LOADING/ UNLOADING

Employee Parking

Visitor Parking

ACTION REQUESTED	LAUDERDALE COUNCIL
Consent _____	MEETING DATE <u>November 12, 2013</u>
Special _____	ITEM NUMBER <u>CUP Application</u>
Public Hearing <u>X</u>	STAFF INITIAL <u>Jim</u>
Report _____	APPROVED BY ADMINISTRATOR _____
Discussion/Action <u>X</u>	
Resolution _____	
Work session _____	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

See attached memo.

OPTIONS:

STAFF RECOMMENDATION:

COUNCIL ACTION:

M E M O

DATE: NOVEMBER 12, 2013
TO: HONORABLE MAYOR AND COUNCIL
FROM: JIM BOWNIK, ASSISTANT CITY ADMINISTRATOR
/ ZONING ADMINISTRATOR
RE: CONDITIONAL USE PERMIT APPLICATION FOR 2520 BROADWAY DR

BACKGROUND

PROPOSAL: Request for a Conditional Use Permit allowing for a construction equipment rental, leasing, and sales facility. The property is zoned I-1 Industrial.

APPLICANT: Beaupre Aerial Equipment
2400 Minnehaha Avenue S
Minneapolis, MN 55420

PROPERTY OWNER: HHC, Inc.
10107 University Avenue NE
Blaine, MN 55434

PROPERTY LOCATION: 2520 Broadway Drive
Lauderdale, MN 55113

Attached is the conditional use permit application for your review, as well as the conditions imposed by Minneapolis.

CONDITIONAL USE PERMIT REQUEST

The applicants are proposing to relocate their aerial lift equipment business from its current location at 2400 Minnehaha Avenue South to this location. This business involves renting lift equipment to contractors.

(Depending on preceding Council action) construction equipment rental, leasing, and sales facilities are now permitted as a conditional use in the I-1 District.

PROPERTY INFORMATION

HHC, Inc. recently acquired the 3.1 acre site from MGH Enterprises (Hamline Auto Body). Beaupre has an agreement to purchase the property from HHC contingent on approval of the CUP.

REQUIREMENTS FOR APPROVAL OF A CONDITIONAL USE PERMIT

Title 10-12-4 & 10-12-5 of the City Code allows the City Council to consider the following for the approval of a conditional use permit:

- 1) Does the use conform to the I-1 District?
- 2) Will the use provide a harmonious relationship with adjacent properties?
- 3) Is the visual impression & environment of the use consistent with the district?
- 4) Does the use organize vehicular access & parking in a way that minimizes traffic congestion in the district?
- 5) Does the use promote the objectives of Title 10 of the City Code: Zoning, and the Land Use & Tax Base section of the Lauderdale Comprehensive Plan?
- 6) Does the use comply with the following performance standards?
 - a. Fire Protection.
 - b. Electrical Disturbance.
 - c. Noise.
 - d. Vibrations.
 - e. Odors.
 - f. Air Pollution.
 - g. Glare.
 - h. Erosion.
 - i. Water Pollution.

STAFF FINDINGS & REVIEW

1) *Does the use conform to the I-1 District?*

The use appears to conform to similar uses in the I-1 District.

2) *Will the use provide a harmonious relationship with adjacent properties?*

The proposed use will be compatible with other uses in the I-1 Industrial District as well as with the adjacent Boyer Truck facility. It should have no adverse impacts on surrounding uses.

3) *Is the visual impression & environment of the use consistent with the district?*

Most of the equipment will be stored in the warehouse. However, boom lifts will be stored in the fenced in storage yard. If the council feels it is necessary, they may consider requiring the storage yard be screened by a privacy fence not less than six feet in height on one or more sides because of the boom lifts .

The council could also require the booms to be in the lowered position when stored, as Minneapolis did. Although, Don Beaupre has said that may be a deal breaker for him. The Seward Neighborhood let him keep some of the booms up as needed for space.

Beaupre's Minneapolis building is 23,500 total sq. ft. The Lauderdale building is significantly bigger at 37,588 sq. ft. This will allow them to store tires, scrap metal, etc. inside the building instead of in the storage yard. However, staff recommends that if these items end up in the storage yard, that there is screening around them such as a fence not less than six feet in height.

4) Does the use organize vehicular access & parking in a way that minimizes traffic congestion in the district?

The vehicle access & parking plan appear to be organized in a way that does not significantly increase traffic congestion and noise. Equipment is delivered to clients and returned via flatbed trucks. Traffic volume should be comparable to Hamline Auto Body's use of the site.

Access to this site is via a private service road from Broadway Drive to the north. Phillips Holdings (Boyer Trucks) made a guarantee of access to the site through final plat approval for Broadway Business Park in 2001.

5) Does the use promote the objectives of Title 10 of the City Code: Zoning, and the Land Use & Tax Base section of the Lauderdale Comprehensive Plan?

The use appears to promote the objectives of the Zoning Ordinance and the Land Use & Tax Base section of the Comprehensive Plan. It is encouraging that the building would be utilized immediately instead of potentially deteriorating waiting for a buyer.

6) Does the use comply with the following performance standards?

- a. **Fire Protection.**
- b. **Electrical Disturbance.**
- c. **Noise.**
- d. **Vibrations.**
- e. **Odors.**
- f. **Air Pollution.**
- g. **Glare.**
- h. **Erosion.**
- i. **Water Pollution.**

The use appears to comply with the performance standards mentioned above. The only fumes and noise will be from the trucks delivering and returning equipment, which should be comparable with Hamline Auto Body's use of the site. The proposed use should actually produce fewer odors because Beaupre intends to remove the existing paint booths. Beaupre also intends to remove the car wash, which will free up some capacity in the sanitary sewer system.

PUBLIC HEARING FOR THE CONDITIONAL USE PERMIT REQUEST

On November 1, 2013, property owners within 350 feet from the perimeter of the subject property were sent notice of tonight's public hearing. A Public Notice was also published in the October 29, 2013 edition of the *Roseville Review*.

CITY COUNCIL ACTION REQUESTED

Motion to approve the condition use permit with or without conditions and direct staff to prepare a resolution of approval with findings of fact for the next meeting.

If the condition use permit is denied, state the rationale for the denial in the motion.



I am the owner of Beaupre Aerial Equipment. After a 17-year NHL career, I searched for a business opportunity for my second career. In 1999 I started an aerial lift equipment leasing business with a partner in Minneapolis. That business partnership ended in 2003 when I sold the business to my partner. With the advice and help of my one-time CPA and business advisor, I started Beaupre Aerial Equipment in 2003

It was a great time to start an aerial lift leasing business. Construction and development of residential, commercial, and industrial properties was proceeding at a record breaking pace. The integral part of this business is to build relationships with contractors who need to lease the lift equipment for their projects. General contractors; heating, ventilating, and cooling; electrical, steel erectors and other types of contractors are the primary types of Beaupre customers.

I began the business in a rented building in the Warehouse District of Minneapolis with 8 employees, a fleet of 200 man lifts, 2 delivery trucks and 1 service vehicle. In March of 2004 the company moved to its current home at 2400 Minnehaha Avenue South in Minneapolis. At that time we had already grown to be a 350 man lift fleet.

In 2009, with the TCF Bank Stadium and Target Field in full construction phase, our workforce and fleet expended significantly. As of today we have roughly 1,000 man lifts, 30 employees, 6 trucks and 4 service vans. Now, our business is growing at 20% per year and we are out of space in our current building. With the new Vikings Stadium, Mall of America expansion, City of Rochester/Mayo Clinic expansion and other projects on the horizon we project our growth to continue over the next few years.

Customers typically do not come to our location to pick up or drop off equipment. We deliver our equipment directly to our customers' project sites. Our salespeople talk to our customers everyday either in person or over the phone and process orders for equipment. We have a catalog with all of our equipment and many customers use our website to assist them in determining their equipment needs. Most of the time, our customers know in advance that they will need a lift. We also use our expertise to help our customers determine their equipment needs.

Our day to day business activity consists of our 6 delivery trucks delivering between 30 and 40 lifts to various job sites and picking up a similar number and returning them to our service department for washing, inspection and repair if needed. The lifts are staged to return to rent. Four of our delivery trucks hold an average of 6 lifts per load and two of our trucks take 1 or 2 of our bigger lifts at a time.



Our repairs include: oil changes, tire repairs and minor engine repairs, all of which is done indoors. Spare parts such as wheels, hydraulic hoses, etc... are all stored indoors. We do not paint our equipment and all of the paint booths currently in the building will be removed by the current tenant/owner. We do not generate a lot of waste. Our waste typically consists of used oil and filters, scrap metal from used parts and fluorescent light bulbs. All items are collected and recycled or disposed of according to MPCA, County and City guidelines.

The 2520 Broadway building is an ideal fit for us because it has a large warehouse where we can store, wash, and repair our equipment. If a lift is not leased out to a customer, it is stored inside the warehouse. The outdoor space is where equipment is staged for either loading out to customers or returning back to the building. Most, and usually all of our delivery vehicles are stored inside at night. Also, the site itself has more than enough parking for our employees.

Any noise we would make from our vehicles would blend in with what is already there between Boyer Trucks on one side, railroad tracks on the other and 280 traffic next to us. Our equipment is not noisy. Most of it runs on electricity/battery and a small amount of our fleet is powered with small engines. The only noise we will generate will be from our delivery trucks dropping off and picking up equipment. Most of the equipment is actually driven under its own power onto the trucks. There will be some occasions where we use a forklift to lift a small piece of equipment onto a truck.

We do not generate any odors as a result of our operations. The only odor would come from our delivery trucks. We do not use any chemicals or other material that would generate an odor that would disturb the industrial neighbors or the residences east of Highway 280.

Our delivery truck fleet consists of the following: 2 flatbed semi-trucks, 4 flatbed straight trucks and 4 service vans. We are confident that the site can easily handle our truck traffic and we will have plenty of space on the site.

We plan on making two changes to the exterior of the building. First we will remove the car wash that is currently on the north end of the property since it cannot be used for our equipment. Car washes are costly to operate and maintain, and we do not want to attract more traffic to the site that is not related to our use. Also we plan to modify the dock on the south side of the building to accommodate our trucks by repurposing the concrete panels from the car wash to provide an enclosed loading area for two flatbed trucks.

BEAUPRE

AERIAL EQUIPMENT

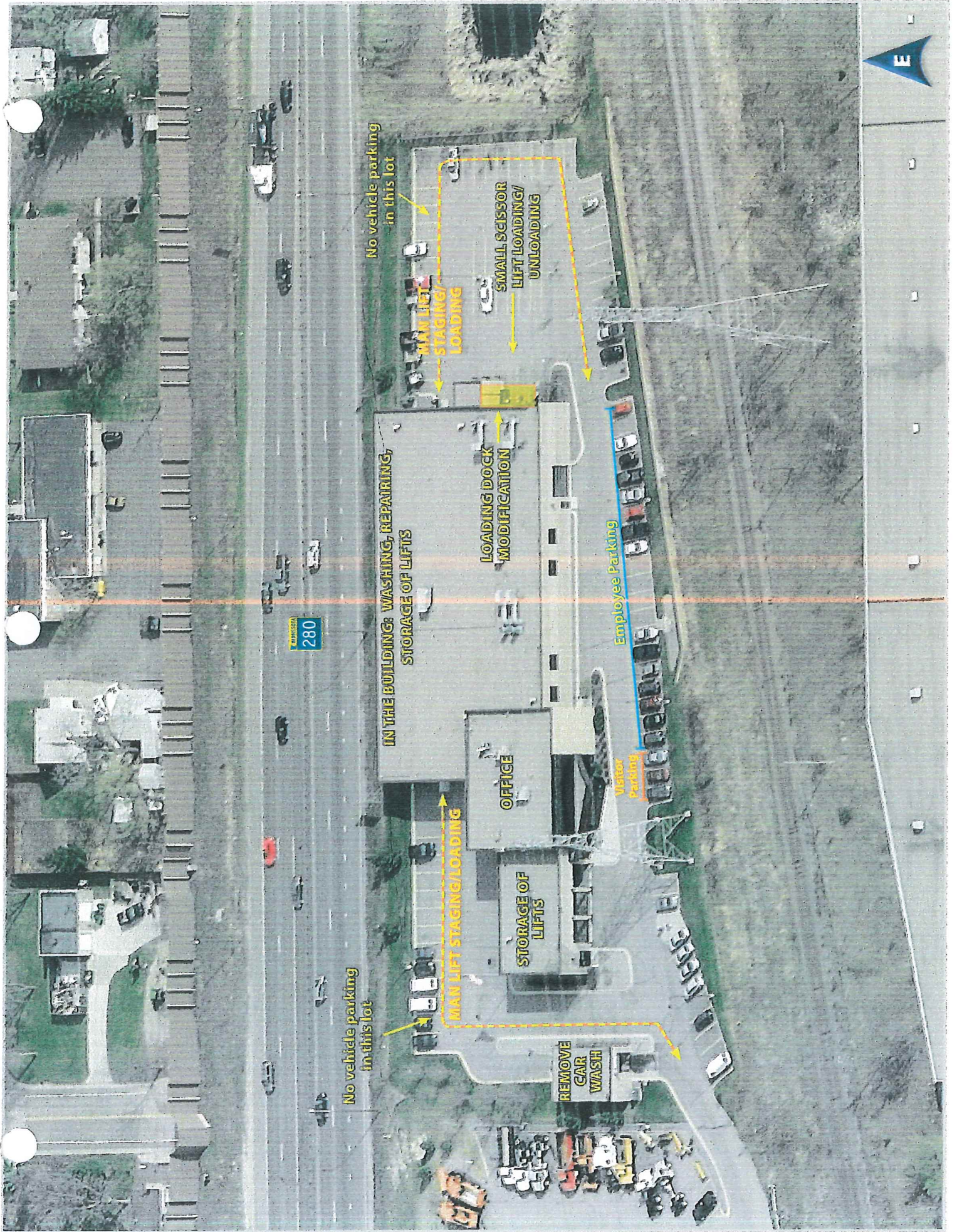
We are now located on the perimeter of a residential area in Minneapolis and have had no complaints of any kind in nearly 10 years from our neighbors or from the "Seward Neighborhood Group" who was instrumental in helping us obtain our conditional use permit from the city of Minneapolis. We know that the Broadway location is even more isolated from residential neighbors, but we will continue to run our business responsibly and make sure it is attractive and well maintained. After all, we have a good reputation and we want to keep it.

Thank you for your time and consideration.

Sincerely,



Don Beaupre
President



No vehicle parking in this lot

SMALL SCISSOR LIFT LOADING/ UNLOADING

MAN LIFT STAGING/ LOADING

IN THE BUILDING: WASHING, REPAIRING, STORAGE OF LIFTS

LOADING DOCK MODIFICATION

Employee Parking

280

MAN LIFT STAGING/LOADING

OFFICE

STORAGE OF LIFTS

Visitor Parking

No vehicle parking in this lot

REMOVE CAR WASH



Council adopt the findings and **approve** the rezoning of 3100 Johnson Street Northeast from OR1 to C1.

B. Variance: Application by Kristi Oman to rezone the property at 3100 Johnson Street Northeast from OR1 to C1 with a north side yard variance from 5 to 0 feet to permit a beauty shop.

Recommended Motion: The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the findings and **approve** the variance to reduce the north side yard setback from 5 feet to 0.

9. Beaupre Aerial Equip (BZZ-2010, Ward 9), 2400 Minnehaha Avenue (Michael Orange) This item was continued from the October 25, 2004 meeting.

A. Conditional Use Permit: Application by Mr. Beaupre for a conditional use permit to purchase the existing building and move his construction equipment rental business to 2400 Minnehaha Ave. S.

Recommended Motion: The Community Planning and Economic Development Department—City Planning Division recommends that the City Planning Commission **approve** the conditional use permit for the project at 2400 Minnehaha Ave. to the 11/8/04 Planning Commission hearing subject to following conditions:

1. The applicant shall only store boom lift and similar equipment in the storage yard.
2. The applicant shall keep all boom lifts and similar equipment in the fully down position in the storage yard.
3. The applicant shall provide three-foot high screening of the parking area along Minnehaha Ave.
4. The applicant shall provide 6-foot high screening that is at least 95% opaque for the storage yard and gate on the Minnehaha Ave. side of the storage yard.

B. Variance: Application by Mr. Beaupre for a variance to allow outdoor storage of construction equipment at 2400 Minnehaha Ave. S.

Recommended Motion: The Community Planning and Economic Development Department—City Planning Division recommends that the City Planning Commission **approve** the variance to allow outdoor storage for the project at 2400 Minnehaha Ave. to the 11/8/04 Planning Commission hearing subject to following conditions:

1. The applicant shall only store boom lift and similar equipment in the storage yard.
2. The applicant shall keep all boom lifts and similar equipment in the fully down position in the storage yard.
3. The applicant shall provide three-foot high screening of the parking area along Minnehaha Ave.
4. The applicant shall provide 6-foot high screening that is at least 95% opaque for the storage yard and gate on the Minnehaha Ave. side of the storage yard.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____ X
Discussion _____ X
Action _____ X
Resolution _____
Work Session _____

Meeting Date November 12, 2013

ITEM NUMBER Business Subsidy Plan

STAFF INITIAL AS

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The draft policy was sent to the city attorney for comment after the last meeting. He didn't recommend any changes to the text. Instead, he recommended the application fee be increased to guard against losses if a developer backs out during the application process and to dissuade applications for small projects that the Council would not consider providing public assistance for.

A public hearing must be held prior to adoption.

OPTIONS:

STAFF RECOMMENDATION:

Motion to adopt the Business Assistance Policy as presented.

CITY OF LAUDERDALE, MINNESOTA

BUSINESS ASSISTANCE POLICY

Public Hearing: November 12, 2013

Adopted: November 12, 2013

I. PURPOSE

The purpose of this policy is to provide guidance for the City of Lauderdale (the "City") in its provision of assistance for commercial and housing development and redevelopment projects. As a matter of adopted policy, the City will consider using public assistance to assist private development only in those circumstances in which the proposed private project shows a demonstrated financing gap, meets one of more of the City's development goals, and is consistent with the City's Comprehensive Plan.

This policy shall be used as a guide in processing and reviewing applications requesting public financing assistance. The City shall have the option of amending or waiving sections of this policy when determined to be necessary or appropriate.

II. STATUTORY LIMITATIONS

All forms of business assistance provided by the City must comply with applicable state law and regulations, including *Minnesota Statutes*, Sections 116J.993 through 116J.995. *Minnesota Statutes*, Section 116J.993, Subd. 3 defines a Business Subsidy as "a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business." Appendix A lists forms of financial assistance that state law does not consider business subsidies.

A business subsidy may not be granted until the grantor has adopted criteria after a public hearing for awarding business subsidies. A grantor may deviate from its criteria by documenting in writing the reason for the deviation and attaching a copy of the document to its next annual report to the Department of Employment and Economic Development (DEED). A copy of the criteria must be submitted by the City to DEED along with its first annual report following the enactment of this Policy or with the first annual report after it has adopted criteria, whichever is earlier. Notwithstanding *Minnesota Statutes* 116J.993, subdivision 3, clauses (1) and (21), "business subsidies" as defined under section 116J.993 includes the following forms of financial assistance: (1) a business subsidy of \$25,000 or more; and (2) business loans and guarantees of \$75,000 or more.

III. GOALS

As a matter of adopted policy, the City will consider using a business assistance tool to assist private development only in those circumstances in which the proposed private project shows a demonstrated financing gap, meets one of more of the City's development goals, and is consistent with the City's Comprehensive Plan. The City's primary development priority is to encourage high-value commercial development, including but not limited to manufacturing, warehousing, distribution, office and retail uses. Single-family residential and multi-family housing proposals may be considered for assistance on a case-by-case basis. In all instances, the terms and conditions of any business assistance are to be decided at the discretion of the City Council.

IV. PUBLIC ASSISTANCE TOOLS

1. Tax Increment Financing

Tax increment may be spent only for specified purposes permitted in the underlying development statutes. The Minnesota Tax Increment Act is codified as *Minnesota Statutes* 469.174 through 469.1799. In addition, the Tax Increment Act specifies the qualifying conditions and/or development purposes for several types of TIF districts, and the required process for establishing and reporting on a TIF district.

2. Tax Abatement

Tax abatement may be spent only for specified purposes permitted in the underlying development statutes. The Minnesota Tax Abatement Act is codified as *Minnesota Statutes* 469.1812 through 469.1815.

3. City Fees

The City may consider deferring the assessment of City fees for purposes permitted in the development statutes and City Code. Whether a particular fee is eligible to be deferred or assessed over time may depend on the City Fund's ability to support the deferment.

4. Revolving Loan Fund

The City may make a loan to a business, a for-profit or nonprofit organization, or an individual for any purpose that the City is otherwise authorized to carry out under various state statutes related to redevelopment, housing, economic development, or any special law.

V. BUT FOR TEST

With tax increment financing, the City is statutorily required to find that the increased market value of the site that could reasonably be expected to occur without the use of TIF would be less than the increase in the market value of the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the TIF Plan according to *Minnesota Statutes*, Section 469.175, subd. 3(d).

To allow for this evaluation, the developer must provide a complete development budget and operating pro forma, and an accompanying statement explaining the need for TIF assistance.

VI. TYPES OF FINANCING

The City will consider a "pay-as-you-go" financing arrangement with a developer. With pay-as-you-go financing, the developer pays for various costs initially, and the City promises to reimburse the developer from tax increment, tax abatement, or other identified economic development and redevelopment tools over time as the development is completed and an increased market value is generated. This arrangement may be structured as a revenue note or bond issued to the developer, with an interest component to compensate the developer for costs of financing the improvements up front.

Interfund loans and transfers secured by tax increments or tax abatements may be used when there is an extraordinary capital requirement that cannot be met through conventional private debt and/or equity, and to benefit a project of high priority and interest to the City.

Bonds secured by tax increments or tax abatements may be issued only when there is an extraordinary capital requirement that cannot be met through conventional private debt and/or equity, and to benefit a project of high priority and interest to the City. The bonds may be general obligation bonds backed by the full faith and credit of the City.

VII. TERM OF ASSISTANCE

The City retains the ability to provide a shorter term for the tax increment or tax abatement assistance than the Minnesota Tax Increment Act and Minnesota Tax Abatement Act, respectively.

VIII. BUSINESS ASSISTANCE PROJECT APPROVAL CRITERIA

All new projects approved by the City must meet the following mandatory minimum approval criteria. However, it should not be presumed that the business assistance request of a project meeting these criteria will automatically be approved. Meeting these criteria creates no contractual rights on the part of any potential developer.

1. The assistance shall be provided within applicable state legislative restrictions, State Auditor interpretation, debt limit guidelines, and other appropriate financial requirements and policies.
2. The project should meet one or more of the goals referenced in the City's Comprehensive Plan.
3. The project must be in accord with the City's Comprehensive Plan and Zoning Ordinances, or required changes to the Comprehensive Plan and Zoning Ordinances must be under active consideration by the City at the time of approval.
4. Prior to approval of business assistance, the developer shall provide any required market and financial feasibility studies, appraisals, soil boring, information provided to private lenders for the project, and other information or data that the City or its financial consultants may require in order to proceed with an independent underwriting.
5. Any developer requesting business assistance should be able to demonstrate past successful general development capability as well as specific capability in the type and size of development proposed.
6. The developer must retain ownership of the project at least long enough to complete it, to stabilize its occupancy, to establish the project management, and to initiate repayment of the business assistance.
7. The level of business assistance funding should be reduced to the lowest possible level and least amount of time by maximizing the use of private debt and equity financing first, and then using other funding sources or income producing vehicles that can be structured into the project financing, prior to using additional business assistance funding.

IX. BUSINESS ASSISTANCE PROJECT EVALUTATION CRITERIA

If a business meets the criteria in Section VIII and is eligible for assistance, the following criteria will be used to determine the amount of assistance and type of assistance that may be provided. All projects will be evaluated by the Lauderdale City Council, and if necessary on the following criteria for comparison with other proposed business assistance projects reviewed by the City, and for comparison with other subsidy standards (where appropriate). It is realized that changes in local markets, costs of construction, and interest rates may cause changes in the amounts of business assistance subsidies that a given project may require at any given time. In applying the criteria to a specific project, the following will apply:

1. The City may consider the requirements and benefits of any other business subsidy received, or to be received, by a developer from a grantor other than the City.
2. If the business subsidy is a guaranty, the amount of the business subsidy may be valued at the principal amount plus interest of the guaranteed payment obligation.
3. If the business subsidy is real or personal property, the amount of the subsidy will be the fair market value of the property as determined by the City.
4. If the business subsidy is received over time, the City may initially value the subsidy as it determines is fair and reasonable under the circumstances.
5. As used herein, "Benefit Date," means the date the business subsidy is received. If the business subsidy involves the purchase, lease, or donation of physical equipment, then the benefit date occurs when the recipient puts the equipment into service. If the business subsidy is for improvements to property, then the Benefit Date refers to the earliest date of either when the improvements are finished for the entire project or when a business occupies the property.
6. All business assistance projects will need to meet a "Reasonable Rate of Return." Assistance will not be used unless the need for the City's economic participation is sufficient that, without that assistance the project could not proceed in the manner as proposed. The Reasonable Rate of Return will be based on market standards at the time of the application for assistance.
7. Business assistance will not be used when the developer's credentials, in the sole judgment of the City, are inadequate due to past track record relating to: completion of projects, general reputation and/or bankruptcy, or other problems or issues considered relevant by the City.
8. Business assistance funding should not be provided to those projects that fail to meet good public policy criteria as determined by the Council, including: poor project quality; projects that are not in accord with the City's comprehensive plan, zoning, redevelopment plans, and city policies; projects that provide no significant improvement to surrounding land uses, the neighborhood, and/or the City; projects that do not meet one or more of the goals referenced in the City's Comprehensive Plan; projects that do not meet financial feasibility criteria established by the City; and projects that do not provide the highest and best desired use for the property.
9. All projects receiving business assistance under the criteria listed in *Minnesota Statutes* 116J.994, Subd. 3 must meet at a minimum the job and wage goals described below. *Minnesota Statutes* 116J.994, Subd. 2 allows the City to deviate from its criteria by documenting in writing the reason for the deviation and attaching a copy of the document to

its next annual business subsidy report to the Department of Employment and Economic Development.

Projects receiving business assistance must create a minimum of 1 full time job(s) paying an average wage of 150% of Federal minimum wage, excluding benefits.

10. The amount of assistance available to a project will be limited by the amount of proceeds that TIF or other financing tools may support.
11. Job creation or retention is not required for business subsidies as long as the grantor identifies an alternate public purpose in addition to tax base increase. If after Council consideration of the alternate public purpose(s) proposed, the creation or retention of jobs is determined not to be a goal (after a public hearing), the wage and job goals may be set at zero.
12. In lieu of job creation or retention, other measurable, specific, and tangible goals shall be established. Examples of tangible goals may include tax base diversification, property redevelopment, enhanced economic diversity, community stabilization, investment in the community and/or other goals identified in the City's Comprehensive Plan and City's Comprehensive Plan.
13. Business assistance will normally be used for projects that address the following land use issues: (1) high value development consistent with the City's Comprehensive Plan; (2) location on property which needs but is not likely to be developed or redeveloped because of blight or other adverse conditions of the property; and possibly (3) the inclusion of design and/or amenity features not otherwise required by law.
14. Business assistance will be evaluated on the project's impact on existing and future public investment: (1) whether and to what extent the project will utilize existing public infrastructure capacity and the extent to which it requires additional publicly funded infrastructure investments; and (2) arrangements for the City to receive a direct monetary return on its investment in the project.
15. Business assistance will normally be used for projects that demonstrate to the satisfaction of the City adequate financing for the project is available and that the project will be completed in a timely fashion.
16. Business assistance from the City must satisfy all requirements of *Minnesota Statutes* 116J.993 through 116J.995, and all other applicable laws and regulations.

X. LOOK BACK PROVISION

The City reserves the ability to include a Look Back Provision in the Development Agreement for a project. Under the Look Back Provision, the City has the ability to review the development proforma and grant assistance based on the estimates for the project. After completion of the project, the City has the ability to compare the actual project costs and performance with the estimates and adjust the assistance provided so a "Reasonable Rate of Return" is achieved. This adjustment will be made only in circumstances when the business subsidy can be reduced to achieve a "Reasonable Rate of Return." The adjustment will not be made to increase the amount of the business subsidy. At the time the Development Agreement is being negotiated, the City will consider if and how any assistance above the "Reasonable Rate of Return" may be shared.

Some criteria, by their very nature, must remain subjective. However, wherever possible "benchmark" criteria have been established for review purposes. The fact that a given proposal meets one or more "benchmark" criteria does not mean that it is entitled to funding under this policy, but rather that the City is in a position to proceed with evaluations of (and comparisons between) various business assistance proposals, using uniform standards whenever possible.

Mayor

City Administrator

APPENDIX A

The Business Subsidy Statute specifically excludes 23 items from the definition. The following are NOT business subsidies:

- 1) A business subsidy of less than \$150,000;
- 2) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- 3) Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- 4) Redevelopment property polluted by contaminants as defined in *M.S. Section 116J.552, Subd. 3*;
- 5) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50% of the total cost;
- 6) Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
- 7) Assistance for housing;
- 8) Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance sub-district as defined under *M.S. Section 469.174, Subd. 23*;
- 9) Assistance for energy conservation;
- 10) Tax reductions resulting from conformity with federal tax law;
- 11) Workers' compensation and unemployment insurance;
- 12) Benefits derived from regulation;
- 13) Indirect benefits derived from assistance to educational institutions;
- 14) Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
- 15) Assistance for a collaboration between a Minnesota higher education institution and a business;
- 16) Assistance for a tax increment financing soils condition district as defined under *M.S. Section 469.174, Subd. 19*;
- 17) Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
- 18) General changes in tax increment financing law and other general tax law changes of a principally technical nature;
- 19) Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
- 20) Funds from dock and wharf bonds issued by a seaway port authority;

- 21) Business loans and loan guarantees of \$150,000 or less;
- 22) Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
- 23) Property tax abatements granted under section 469.1813 to property that is subject to valuation under Minnesota Rules, chapter 8100.

City of Lauderdale

1891 Walnut Street • Lauderdale, MN 55113 • Phone (651) 792-7650 • Fax (651) 631-2066

Application for Tax Increment Financing/Business Subsidy Program

A. APPLICANT INFORMATION:

1. **Applicant Name:** _____
(Name should be the officially registered name of the business entity.)
Address: _____
Telephone: _____
Fax: _____

2. **Name:** _____
(Information should be that of the person completing the application)
Address: _____
Telephone: _____

3. **PID#'s, legal description, address, and size of project site.**

4. **If the applicant is a corporation, please name officers, directors, or stockholders holding more that 5% of the stock of the corporation. If the corporation is not formed, provide as much information as possible concerning potential officers, directors, or stockholders:**

4.a. If the applicant is a general partnership, name of the general partners and if a limited partnership, state the general partners and limited partners with more than 5% interest in the limited partnership. If the partnership is not formed, provide as much information as possible concerning potential officers, directors or stockholders.

4.b. Description of the business nature and principal products of the applicant.

5. If property is to be subdivided, describe the planned division.

6. Estimated project costs: (Please enclose development *Pro Formas*, if available).

a.	Land Acquisition:	\$ _____
b.	Soil Corrections:	_____
c.	Soil Survey:	_____
d.	Public Improvements:	_____
e.	Site Development:	_____
f.	Demolition:	_____
g.	Building(s):	_____
	Shell	_____
	Tenant Improvements	_____

- h. Equipment: _____
 - i. Architectural & Engineering Fees: _____
 - j. Legal Fees/Other Consulting Fees: _____
 - k. Financing Costs: _____
 - l. SAC/WAC: _____
 - m. Park Dedication: _____
 - n. Survey: _____
 - o. Appraisal: _____
 - p. Taxes: _____
 - q. Contingencies: _____
 - r. Other: _____
 - s. Other: _____
- TOTAL \$ _____

7. Source of Financing.

- a. Equity: \$ _____
 - b. Bank Financing: _____
 - c. Tax Increment Assistance: _____
 - d. Business Subsidy Assistance: _____
 - e. Other governmental loans/grants: _____
 - f. Other: _____
 - g. Other: _____
 - h. Cap Rate: _____
 - i. Construction Interest: _____
 - j. Title Insurance: _____
 - k. Mortgage Registration: _____
 - l. Bank/Borrower Legal: _____
 - m. Recording/Closing: _____
 - n. Construction Loan Fees: _____
- TOTAL \$ _____

Terms of Financing: _____

Rate of Financing: _____

8. a. Names and Addresses of Architect, Engineer, and General Contractor for this project:

- b. Names, addresses and telephone numbers of the applicant's legal counsel and accountant.

9. Project Construction Schedule:

- a. Construction Start Date: _____
- b. Construction Completion Date: _____
- c. If phased Project :
- | | |
|------------|-------------------|
| Year _____ | % Completed _____ |
| Year _____ | % Completed _____ |

10. Total Estimated Market Value of Project upon completion \$ _____

11. Projected number of new jobs created:

Low Range: _____

of Employees: _____

Medium Range: _____

of Employees: _____

High Range: _____

of Employees: _____

12. How many employees does the applicant currently employ?

Low Range: _____
of Employees: _____
Medium Range: _____
of Employees: _____
High Range: _____
of Employees: _____

13. How many employees will be retained as the result of the development at the site?

Low Range: _____
of Employees: _____
Medium Range: _____
of Employees: _____
High Range: _____
of Employees: _____

14. How many jobs are guaranteed to be created over the next three (3) years as a result of the development on this site?

Full Time: _____
Part Time: _____
Seasonal: _____

Wage categories for these employees:

Low: _____
Medium: _____
High: _____

15. References:

- a. Explain any previous or current requests that the applicant has with the City or other governments for business subsidy assistance. The term "applicant" includes principals or affiliates.

b. Has the applicant ever been in bankruptcy? If yes, please describe the circumstances.

c. Have any directors or officers of the applicant ever been convicted of a felony? Is yes, please describe the circumstances.

d. Has the applicant ever defaulted on any bond or mortgage commitment?

f. Will any public official of the City, either directly or indirectly, benefit from the issuance of business subsidy assistance within the meaning of Minnesota Statutes, Section 412.311 or 471.87? If yes, please explain the circumstances.

B. TAX INCREMENT FINANCING REQUEST

1. Describe the amount and purpose for which Tax Increment Financing (TIF) is required:

2. Statement of Necessity for use of Tax Increment Financing for the project.

3. **Municipal Reference** (if applicable). Please name other municipalities herein the Applicant, or other corporations the Applicant has been involved with and has completed development within the last five (5) years.

4. The following documents must accompany the Application:

- A Project *Pro Forma*
- Preliminary financial commitment from bank
- Background material of company
- Personal and/or corporate financial statements, as applicable
- Statement of property ownership or control

Note: Significant additional information may be requested at any time by the City and may be in addition to the materials outlined in this application. The Applicant shall be required to submit any and all information as requested by the City.

5. Applicant acknowledges and agrees to pay the \$2,000 TIF Application Fee that is **non-refundable**.
6. At the time a final TIF application is submitted, the City requires a minimum deposit of \$10,000 with the City as an escrow to pay all fees and expenses incurred by the City in connection with the application or establishment of the TIF District, whether or not approved. This amount may be adjusted upward on a project-by-project basis.
7. The Applicant shall hold the City, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the Project or TIF Application, including but not limited to, any legal or actual violations of any State or Federal securities laws.
8. The Applicant recognizes and agrees that the City reserves the right to deny any application for Tax Increment Financing (TIF) at any stage of the proceedings prior to adopting the resolution approving the district, that the Applicant is not entitled to rely on any preliminary actions by the City prior to the final resolution, and that all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Project are incurred by the Applicant at its sole risk and expense and not in reliance on any actions of the City.

The undersigned, a duly authorized representative of the Applicant, hereby certifies that the foregoing information is true, correct, and complete as of the date hereof and agrees that the Applicant shall be bound by the terms and provisions herein.

APPLICANT'S NAME

DATE

SUBMITTED BY

TITLE

EMAIL ADDRESS

TELEPHONE NUMBER

CITY ACCEPTANCE OF APPLICATION

DATE

\$ _____
FEE AMOUNT REMITTED

DATE

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____ X _____
Action _____ X _____
Resolution _____
Work Session _____

Meeting Date November 12, 2013

ITEM NUMBER Discharge of Weapons Ord.

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Staff received a call this year from a prospective bow hunter. Residents near the Nature Area were frustrated with the deer that migrate through there and asked someone to cull them. Our weapons ordinance doesn't prohibit bow hunting or address the issue of hunting at all. When cities allow hunting, they set up parameters and rules for the hunting area. It doesn't make a whole lot of sense here as a hit animal could easily end up on Larpenteur Avenue or in a resident's yard before it stops running.

Over the years, many other changes have been made to gun regulations and our ordinance does not reflect those as well. To address both issues, staff drafted a new ordinance. It is very short as the only authority cities have is to regulate the discharge of weapons (hunting) within city limits.

OPTIONS:

Adopt or further refine.

STAFF RECOMMENDATION:

Motion to adopt ordinance 13-05 regarding the Discharge of Weapons.

CITY OF LAUDERDALE

ORDINANCE NO. 13-05

An Ordinance deleting all of Title 5, Chapter 4 of the Lauderdale City Code and replacing with the following.

The city council of the city of Lauderdale ordains as follows:

SECTION 1. The Lauderdale City Code is amended by adding the following:

CHAPTER 4

DISCHARGE OF WEAPONS

SECTION:

- 5-4-1: Definitions
- 5-4-2: Discharge of Weapons
- 5-4-3: Penalties

5-4-1: DEFINITIONS

Firearm: A gun that discharges shot or a projectile by means of an explosive, a gas, or compressed air, including a device firing or ejecting a shot measuring .18 of an inch, or less, in diameter and commonly known as a "BB gun", regardless of its size or design.

5-4-2: DISCHARGE OF WEAPONS:

- A. Prohibition. No person shall fire or discharge any firearm or bow and arrow within the City limits.
- B. Exceptions. This section does not apply to:
 - 1. Law enforcement or military personnel acting within the performance of their duty and
 - 2. Those discharging arrows by bow in the archery range at Lauderdale Community Park.
- C. Nothing in this Section is intended to be in conflict with state or federal law.

5-4-3: PENALTIES:

Any person who violates this section is guilty of a misdemeanor.

SECTION II. This ordinance shall be effective upon its adoption and publication.

Adopted by the City Council of the City of Lauderdale this 12th day of November, 2013.

Jeffrey Dains, Mayor

ATTEST:

Heather Butkowski, City Administrator

Published by summary in the Roseville Review the 19th day of November, 2013.

Existing Ordinance

CHAPTER 4

WEAPONS¹

SECTION:

- 5-4-1: Definitions
- 5-4-2: Persons Prohibited From Possessing Firearms
- 5-4-3: Carrying Firearms
- 5-4-4: Prohibited Weapons; Exceptions
- 5-4-5: Transportation Of Firearms
- 5-4-6: Sale Of Firearms And Ammunition
- 5-4-7: Permits And Registrations
- 5-4-8: Discharge Of Firearms
- 5-4-9: Stopping Of Persons And Searching For Weapons !2R!

5-4-1: DEFINITIONS:

A. General Terms: Terms used in this Chapter, unless expressly defined, shall have the meanings prescribed by the Minnesota Statutes for the same terms.

B. Specific Terms: The following terms shall have the following meanings:

!DEF! AMMUNITION: Any projectile, bullet, or other mass prepared for insertion in and propulsion from any firearm.

ASSAULT WEAPON: Any weapon other than a firearm or military type weapon having the designed personal assault characteristics of any dagger, dirk, stiletto, switchblade knife, spring blade knife, push button knife, blackjack, sand club, pipe club, chain club, or metal knuckles.

FIREARM: Any weapon from which is propelled any missile, projectile, bullet, or other mass through a barrel by means of explosives or gas or air, excluding devices used exclusively for the firing of stud cartridges, explosive rivets, or similar industrial apparatus and instruments or equipment when used by licensed physicians or veterinarians in the course and scope of their professions.

HANDGUN: Any firearm having a barrel of less than twelve inches (12") in length and capable of being concealed on the person.

MILITARY TYPE WEAPON: Any destructive device and the ammunition designed only for such device having fire power, mass, explosive or incendiary characteristics of weapons such as cannons having a bore diameter larger than one-half inch ($1/2$ "), bazookas, machine guns, fully automatic weapons, mortars, grenades, Molotov cocktails, but not including shotguns, rifles, pistols or revolvers.

1. M.S.A. §§ 609.66, 609.67 and 624.71 et seq.

PUBLIC PLACE: Includes private gatherings in buildings or locations not ordinarily considered public places if, on the occasion of the gathering, ten (10) or more unrelated persons are present, but shall not include private residences, premises licensed for the sale of firearms, activities held under the sponsorship of a registered target shooting or sportsmen's club, or gun training programs, gun shows, parades or similar public events for which a permit has been issued by the Chief of Police.

OFFICIALLY RECOGNIZED COMPETITION: Includes all competitions held under the sponsorship of a registered target shooting or sportsmen's club which is duly authorized to obtain firearms or ammunition from the United States.

SECURED CONTAINER: A locked case legibly marked "firearms" having no mechanical features designed for immediate weapons removal or use and containing no other nonrelated objects, except that a secured container for a rifle or shotgun may mean a weapon case, such as leather, fiber, canvas or plastic secured with a zipper, clasp, buckle, or ties. (Ord. 56, 1-13-1970) !DEFEND!

5-4-2: PERSONS PROHIBITED FROM POSSESSING FIREARMS:

A. **Persons Under Eighteen Years Of Age:** No person who has not attained the age of eighteen (18) years shall have any firearm in his custody or control, or carry the same on his person, within the limits of the City except when he is accompanied by his parent or legal guardian, while participating under adult supervision as a member of a registered target shooting or sportsmen's club, gun training program, gun show, parade or similar event for which a permit has been issued by the Chief of Police, or unless he holds a firearms safety certificate recognized by the Minnesota Department of Conservation, or is actually enrolled in a program to obtain the same.

B. **Felony Conviction:** No person shall have any firearm in his possession or control, or carry the same on his person, within the limits of the City, who has been convicted of any felony.

C. **Drug Or Alcohol Addiction:** No person shall have any firearm in his possession or control, or carry the same on his person, within the limits of the City, who is addicted to the use of drugs or who is under the influence of drugs or alcohol. (Ord. 56, 1-13-1970)

5-4-3: CARRYING FIREARMS:

No person shall carry on his person, or have in his possession or control in any public place, any firearm except as provided in Section 5-4-5 of this Chapter and except the following persons:

A. Peace officers;

B. Military personnel while on duty; and

C. Persons holding special police commissions while carrying on their occupations. (Ord. 56, 1-13-1970)

5-4-4: PROHIBITED WEAPONS; EXCEPTIONS:

No person shall own, keep, carry, or have in his possession anywhere in the City any military type weapons, or any assault weapon, or any stolen weapon, except military personnel engaged in the course of their duties and peace officers, unless he holds a permit to possess the same as collector's items or for use in officially recognized competition. (Ord. 56, 1-13-1970)

5-4-5: TRANSPORTATION OF FIREARMS:

A. Firearms whose possession is not prohibited by this Chapter or by law may be transported in the City in the following manner and not otherwise:

1. In a motor vehicle, only if the firearm is unloaded and placed in a secured container or located in the trunk of the vehicle; except all handguns must be in a secured container and located in the trunk, or if there is no trunk, in the farthest rear position of the vehicle.

2. Not in a motor vehicle, only if the firearm is unloaded, placed in a secured container and is being carried between the home or business of the owner and a motor vehicle, gunsmith, gun dealer, hunting area, or activity permitted by Section 5-4-3 of this Chapter.

B. Exceptions: The provisions of this Section shall not apply to transport by persons lawfully engaged in the business of making, selling, or repairing firearms, while carrying on their occupation, nor to military personnel in the course of their duties or peace officers. (Ord. 56, 1-13-1970)

5-4-6: SALE OF FIREARMS AND AMMUNITION:

A. License Required: No person shall engage in the business of selling or dealing in firearms or ammunition in the City without first obtaining a license to do so from the City Council.

B. License Fee: The fee for such license shall be as determined from time to time by resolution of the City Council, payable annually to the City Council and City Administrator.

C. Application Information: Upon application for issuance or renewal of license the licensee shall provide to the City Administrator his name, address, and location of his business.

D. Revocation: Such license may be revoked by the Council for

violation of any ordinance or law related to the conduct of the business. (Ord. 56, 1-13-1970; 1996 Code)

5-4-7: PERMITS AND REGISTRATIONS:

Permits and registrations required hereunder shall be accomplished in the following manner:

A. Target Shooting Or Sportmen's Club: Any organization may register as a target shooting or sportsmen's club by filing a statement with the Chief of Police setting forth the names and addresses of the officers of said club, which shall be kept current by the club as the officers shall change from time to time. There shall be no fee for such registration, which may be revoked at any time by the Council for any violation of laws or ordinances relating to firearms.

B. Collector's Items: Any person not prohibited from owning or possessing firearms may obtain a permit to possess a military type or assault weapon as a collector's item, or to possess a military type weapon for participation in officially recognized competition upon application therefor to the Chief of Police. Such application shall set forth the applicant's full name, address and citizenship, the date of acquisition of the weapon and the source of acquisition, the caliber, make, model and manufacturer's number of the weapon and the use to which the weapon is to be put. The Chief shall issue such permit, without fee, if he concludes the applicant is of good moral character and intends to use the weapon for a lawful purpose.

C. Training Programs, Gun Shows, Parades, Etc.: Permits for gun training programs, gun shows, parades or other public events shall be issued by the Chief of Police upon application by the sponsor thereof, without fee. The permit shall set forth with particularity the date and place the event is to be held, and may contain such limitations to protect the public safety as the Chief shall deem necessary. (Ord. 56, 1-13-1970; 1996 Code)

5-4-8: DISCHARGE OF FIREARMS:

A. Prohibited: It shall be unlawful for any person to shoot or discharge any gun, revolver, pistol or firearm of any kind or description whether the same be loaded with powder, ball or shot, loaded with blank cartridges or any kind of explosive whatsoever, within the limits of the City, and all such acts are hereby prohibited. (Ord. 7, 5-1-1969)

B. Exceptions: No firearm shall be discharged within the City save in the following cases:

1. In lawful defense of person or property against an unlawful act;
2. By persons holding special police commissions, peace officers,

or military personnel in the course of their duties and in necessary connection with enforcement of the laws;

3. Discharge of blank ammunition in connection with a public event for which a permit has been issued under Section 5-4-3 of this Chapter, or as a starter's gun for an organized athletic event;
4. Upon an indoor target range operated under the supervision of a registered target shooting or sportsmen's club;
5. Upon an outdoor target range operated under the supervision of a registered target shooting or sportsmen's club where shotguns only are used;
6. In connection with a licensed carnival, where the weapon is so secured as to prevent its being fired except within the confines of an enclosed range impervious to the passage of bullets. (Ord. 56, 1-13-1970)

C. Penalty: Any person violating any of the provisions of this Section shall be guilty of a misdemeanor subject to penalty as provided in Section 1-4-1 of this Code. (Ord. 7, 5-1-1969; 1996 Code)

5-4-9: STOPPING OF PERSONS AND SEARCHING FOR WEAPONS:

A peace officer may stop any person abroad in a public place whom he has reasonable grounds to believe is committing, has committed or is about to commit a felony or any crime or offense involving the use of a weapon of any kind, and may demand of him his name, address, and an explanation of his actions. When a peace officer has stopped a person for questioning pursuant to this Section and has reasonable grounds to believe that he or anyone else is in danger of life or limb, he may search such person for a dangerous weapon. If a peace officer finds such a weapon or any other thing the possession of which may constitute a crime or offense, he may take and keep it until the completion of the questioning, at which time he shall either return it, if lawfully possessed, or arrest such person. (Ord. 56, 1-13-1970)

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____ X _____
Action _____ X _____
Resolution _____
Work Session _____

Meeting Date November 12, 2013

ITEM NUMBER No Fault Sewer Coverage

STAFF INITIAL *JK*

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

You may recall our discussions regarding the option to purchase “no fault” sewer coverage through the League of Minnesota Cities Insurance Trust. Based on my last interaction with them last year I thought the coverage was in place. When renewing our policy this year, I realized it wasn't. After going back and forth with their staff, they determined Lauderdale was eligible to participate if we were still interested.

I attached their memo describing the coverage. The cost is \$1.79 per sewer connection for up to \$10,000 in coverage. The City has 610 connections so the cost would be \$1,091.90/year. If the Council would like to opt into the coverage, the attached resolution needs to be adopted.

OPTIONS:

STAFF RECOMMENDATION:

Decide whether to approve purchase of the additional coverage. If you would like to then the motion is:

Motion to adopt Resolution 111213B — A Resolution Establishing Limited Clean Up and Property Damage Protection for Sewer Back-Ups and Water Main Breaks for Water and Sewer Customers.

COUNCIL ACTION:



CONNECTING & INNOVATING
SINCE 1913

LMCIT QUOTATION
No-Fault Sewer Back-up and Water Main Break Coverage

Date: October 22, 2013

To: Gene Olson

Fax: emailed

Pages: 1 plus 2 attachments

From: Patricia Mingee CPCU, CIC
LMCIT Underwriting
651-215-4081 /800-925-1122 ext 4081
pmingee@lmc.org

Re: **City of Lauderdale**

Coverage: Refer to the attached LMCIT Optional No-Fault Sewer Back-up Coverage Bulletin-No-Fault Sewer Back-up and Water Main Break Coverage Endorsement.

Limits Available: \$10,000/\$25,000/\$40,000.
Refer to the attached LMCIT Optional No-Fault Sewer Back-up Coverage Bulletin- No-Fault Sewer Back-up and Water Main Break Coverage Endorsement.

Premium: \$10,000-\$1.79 per sewer connection manual rate
\$25,000-\$2.11 per sewer connection manual rate
\$40,000-\$2.63 per sewer connection manual rate
(Premium will be prorated to the expiration of the city's covenant.)

Retroactive Date: The date that the city council passes the resolution.

Remarks: Quotation is Valid for 90 Days

1. To bind coverage, the city council must formally pass a resolution and send a signed copy to LMCIT.
2. A Model Resolution is attached.
3. Suggest that the city establish a procedure to advise citizens what steps to take in the event of a sewer emergency. Examples-print information on water bills or publishes the information in the local paper on a quarterly basis.

RESOLUTION 111213B

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

**RESOLUTION ESTABLISHING LIMITED CLEAN UP AND
PROPERTY DAMAGE PROTECTION FOR SEWER BACK-UPS AND
WATER MAIN BREAKS FOR WATER AND SEWER CUSTOMERS**

WHEREAS, the City of Lauderdale provides water and sanitary sewer services to property within its jurisdiction; and

WHEREAS, water main breaks may cause water to enter into property causing damage; and

WHEREAS, blockages or other conditions in the Governmental Unit's sanitary sewer lines may cause the back-up of sewage into properties that are connected to those Governmental Unit's sanitary lines; and

WHEREAS, water main breaks and sewer back-ups pose a public health and safety concern; and

WHEREAS, it is often difficult to determine the exact cause and responsibility for water main breaks and sanitary sewer back-ups, and

WHEREAS, the governing body of the Governmental Unit desires to encourage the expeditious clean-up of properties that have encountered damage from water main breaks and sewer back-ups; and

WHEREAS, the governing body of the Governmental Unit desires to minimize the potential of expensive lawsuits arising out of water main breaks and sanitary sewer back-up claims; and

WHEREAS, the Governmental Unit is a member of the League of Minnesota Cities Insurance Trust (LMCIT); and

WHEREAS, LMCIT has offered the Governmental Unit limited "no fault" sewer coverage and water main break coverage that will reimburse users of the water and sewer system for certain clean-up costs and property damage regardless of whether the Governmental Unit is at fault.

NOW THEREFORE, BE IT RESOLVED, as follows:

The Governmental Unit, as part of the contract for providing water and sewer services to the customers of the Governmental Unit, and in consideration of the payment of water and sewer bills, agrees to reimburse water and sanitary sewer customers for up to \$10,000 of clean-up costs and property damages caused by a water main break or sanitary sewer back-up, regardless of whether the Governmental Unit is negligent or otherwise legally liable for damages, subject to the following conditions:

I. Sanitary Sewer Back-Ups. For sanitary sewer back-ups:

- A. The back-up must have resulted from a condition in the Governmental Unit's sanitary sewer system or lines, and not from a condition in a private line.
- B. The back-up must not have been caused by catastrophic weather or other events for which Federal Emergency Management Assistance is available.
- C. The back-up must not have been caused by an interruption in electric power to the Governmental Unit's sewer system or to any Governmental Unit lift station, which continues for more than 72 hours.
- D. The back-up must not have been caused by rainfall or precipitation that would constitute a 100-year storm as determined by the National Weather Service.
- E. Neither the Governmental Unit nor LMCIT will reimburse any costs which have been or are eligible to be covered under a property owner's own homeowners' or other property insurance, or which would be eligible to be reimbursed under a National Flood Insurance Protection (NFIP) policy, whether or not the property owner actually has NFIP Coverage.
- F. The maximum amount that the Governmental Unit or LMCIT will reimburse is \$10,000. per building, per year. In this regard, a structure or group of structures served by a single connection to the Governmental Unit's sewer system is considered a single building.

II. Water Main Breaks. For water main breaks:

- A. LMCIT will pay for claims presented by the Governmental Unit for water main break damage to property of others which was not caused by the Governmental Unit's negligence.
- B. Neither the Governmental Unit nor LMCIT will pay for damages or expenses for which the property owner has been or is eligible to be reimbursed by any homeowners' or other property insurance.
- C. The maximum amount that the Governmental Unit or LMCIT will reimburse is \$10,000. to any claimant, regardless of the number of occurrences or the number of properties affected.
- D. Neither the Governmental Unit nor LMCIT will pay more than \$250,000 for water main break damages resulting from any single occurrence. All water main break damage which occurs during any period of 72 consecutive hours is deemed to result from a single occurrence. If the total water main break damage for all claimants in a single occurrence exceeds \$250,000, the reimbursement to each claimant will be calculated as follows:
 - 1. A preliminary reimbursement figure is established for each claimant, equal to the lesser of the claimant's actual damages or \$10,000.
 - 2. The sum of the preliminary reimbursement figures for all claimants will be calculated.
 - 3. Each claimant will be paid a percentage of his or her preliminary reimbursement figure, equal to the percentage calculated by dividing \$250,000 by the sum of all claimants' preliminary reimbursement figures.

IN WITNESS WHEREOF, the City of Lauderdale, by action of its governing body, caused this Resolution to be approved on November 12, 2013.

For the City of Lauderdale

By: _____

Its: Mayor, Jeffrey Dains

And: _____

Its: City Administrator, Heather Butkowski



CONNECTING & INNOVATING
SINCE 1913

RISK MANAGEMENT INFORMATION
**OPTIONAL “NO-FAULT”
SEWER BACKUP COVERAGE**

The League of Minnesota Cities Insurance Trust (LMCIT) offers property/casualty member cities “no-fault” sewer backup coverage. This optional coverage will reimburse a property owner for clean-up costs and damages resulting from a city sewer backup or from a city water main break, irrespective of whether the backup was caused by city negligence.

The “no-fault” sewer backup coverage option is intended to:

- Reduce health hazards by encouraging property owners to clean-up backups as quickly as possible.
- Reduce the frequency and severity of sewer backup lawsuits (i.e. property owners may be less inclined to sue if they receive conciliatory treatment at the time of the backup).
- Give cities a way to address the sticky political problems that can arise when a property owner learns the city and LMCIT won’t reimburse for sewer backup damages because the city wasn’t negligent and therefore not legally liable.

Many cities and their citizens may find this coverage option to be a helpful tool. However, it’s also important to realize it’s not a complete solution to sewer backup problems, and not every possible backup will be covered.

Which sewer backups are covered?

The “no-fault” coverage would reimburse the property owner for sewer backup damages or water main breaks, regardless of whether the city was legally liable, if the following conditions are met:

- The backup must have resulted from a condition in the city’s sewer system or lines. A backup caused by a clog or other problem in the property owner’s own line would not be covered.
- It’s not a situation that is specifically excluded in the coverage.
- The coverage limit has not been exceeded.

Which situations are excluded?

The “no-fault” coverage will not apply in several “catastrophic” type situations. Specifically, these are:

- Any event, weather-related or otherwise, for which FEMA assistance is available;
- Any interruption in the electric power supply to the city’s sewer system or to any city sewer lift station which continues for more than 72 hours; or
- Rainfall or precipitation that exceeds the amount determined by the National Weather Service to constitute a 100-year storm event.

What costs would be covered?

The coverage would reimburse the property owner for the cost of cleaning up the backup, and for any damage to the property, up to the coverage limit. For purposes of the city’s deductibles, claims under the no-fault coverage are treated as liability claims, so the same per-occurrence and/or annual deductibles will apply.

However, there are certain costs that would not be reimbursed under the no-fault coverage:

- Any costs which have been or are eligible to be covered under the property owner’s own homeowner’s or other property insurance; and
- Any costs that would be eligible to be reimbursed under an NFIP flood insurance policy, whether or not the property owner actually has NFIP coverage.

What is the coverage limit?

The basic limit is \$10,000 per building per year. The city also has options to purchase additional limits of \$25,000 or \$40,000 per building. For purposes of the limit, a structure or group of structures that is served by a single connection to the city’s sewer system will be considered a single building.

Only true “no-fault” claims are counted toward the limit. Claims for damages caused by city negligence, for which the city would be legally liable in any case, are not charged against that limit.

What does it cost?

The rating mechanism has changed effective November 15, 2012. For renewals prior to November 15, 2012, the premium charge was a percentage of the city’s municipal liability premium. For renewals on or after November 15, 2012, the charge is based on a per sewer connection basis. To avoid premium shocks for existing members, a transition mechanism has been put into place. This mechanism caps the changes in premiums – the max increase is 30 percent and the max decrease is 10 percent.

Limit	Pre-11/15/12	11/15/12-13
10,000 limit	8.5% of municipal liability premium	\$1.79 per connection manual rate
25,000 limit	10% of municipal liability premium	\$2.11 per connection manual rate
40,000 limit	12.5% of municipal liability premium	\$2.63 per connection manual rate

Because the LMCIT Board’s intent is that this coverage be self-supporting, charges will be continually monitored and, if necessary, adjusted in the future.

Is every city automatically eligible?

No. To be eligible, the city must meet these underwriting criteria:

- The city must have a policy and practice of inspecting and cleaning its sewer lines on a reasonable schedule.
- If there are any existing problems in the city’s system which have caused backups in the past or are likely to cause backups, the city must have and be implementing a plan to address those problems.
- The city must have a system and the ability to respond promptly to backups or other sewer problems at any time of the day or week.
- The city must have in place an appropriate program to minimize stormwater inflow and infiltration.
- The city must have in place a system to maintain records of routine sewer cleaning and maintenance, and of any reported problems and responses.

When establishing these criteria, the goal of LMCIT was to focus on reasonableness rather than on creating specific standards. The intent isn’t to set an arbitrary requirement that sewers be inspected and cleaned every six months, every three years, every five years, etc. What makes sense in one city with some older and sometimes sagging clay lines probably wouldn’t make sense in a city with newer plastic lines, and vice versa. From the underwriting standpoint, the real concern is that the city has considered its own situation and developed policies, practices, and schedules that make sense for its own situation.

More Information

For assistance in developing sewer policies, practices, and schedules, please see the [Sewer Toolkit](#).

How would the “no-fault” coverage work if a sewer backup was caused by city negligence, and where the city was legally liable for the resulting damages?

If the situation isn’t one where the “no-fault” coverage applies, the city’s LMCIT liability coverage would respond just as it does now. That is, LMCIT would investigate and if necessary defend the claim on the city’s behalf, and would pay the resulting damages if in fact the city is legally liable for those damages.

The same would be true for damages that exceed the \$10,000 no-fault limit, or for a subrogation claim against the city by the homeowner's insurance company. The city's existing LMCIT liability would respond just as it does now.

What's the legal basis for this coverage? Wouldn't it be a gift of public funds to pay for damages the city isn't legally liable for?

First, as noted earlier, one goal is to help reduce health hazards by encouraging prompt clean-ups. That's clearly a public purpose and in the public interest.

Second, the law and facts surrounding most sewer backup claims are rarely so clear that the liability issue is entirely black and white. There's virtually always a way that a claimant's attorney can make some type of argument for city liability. Having this coverage in place should help eliminate the need to spend public funds on litigation costs in many of these cases.

Finally, part of the process for putting the coverage in place is for the city council to pass a formal resolution that makes this no-fault sewer backup protection part of the agreement between the city and the sewer customer. The idea is that by paying their sewer bill, the sewer user is purchasing not just sewer services but also the right to be reimbursed for certain specified sewer backup costs and damages. In other words, the basis for the no-fault payments to the property owner would be the contract between the city and the sewer user.

How do we put coverage in place?

Contact your LMCIT underwriter for an application. If the city qualifies for coverage, we'll send the city a formal quote, along with a model resolution. To put coverage in place, the city council must formally pass that resolution, and send a copy to LMCIT.

If the city decides to add this coverage, it will also be important to make sure citizens know about it. LMCIT can also provide models for a press release, newsletter article, utility bill insert, etc.

Your League Resource

Contact your LMCIT underwriter at 651-281-1200 or 800-925-1122 for more information about the "no-fault" sewer backup coverage.

What if we decide to discontinue the coverage sometime in the future?

Make sure your agent notifies your LMCIT underwriter. In addition, it's important to let your citizens know if and when the coverage is discontinued. The council should formally rescind the resolution that made the no-fault sewer backup protection part of the agreement between the city and the sewer customer.

Liam Bieber 01/13

COMPREHENSIVE MUNICIPAL COVERAGE

No-Fault Sewer Back-up and Water Main Break Coverage Endorsement (\$10,000 Limit)

Section I, Coverage A, Municipal Liability Coverage, is amended to include no-fault sewer back-up and water main break coverage as outlined below.

1. No-fault sewer back-up coverage

- a. If all of the following four conditions are met, *LMCIT* will pay for claims presented by the *city* for *sewer back-up damage* to property of others which was not caused by *city* negligence:
 - (1) The sewer back-up resulted from a condition in the *city's* sewer system;
 - (2) The sewer back-up was not the result of an obstruction or other condition in sewer pipes or lines which are not part of the *city's* sewer system or which are not owned or maintained by the *city*; and
 - (3) The sewer back-up was not caused by or related to a *catastrophic incident*.
 - (4) The date of the *occurrence* giving rise to the claim for *damages* must be on or after the retroactive date shown on this endorsement.
- b. However, *LMCIT* will not pay for any *damages* or expenses:
 - (1) Which are or would be covered under a National Flood Insurance Program flood insurance policy, whether or not such insurance is in effect; or
 - (2) For which the property owner has been reimbursed or is eligible to be reimbursed by any homeowners' or other property insurance.

2. No-fault water main break coverage.

LMCIT will pay for claims presented by the *city* for *water main break damage* to property of others which was not caused by *city* negligence. But *LMCIT* will not pay for any *damages* or expenses for which the property owner has been or is eligible to be reimbursed by any homeowners' or other property insurance.

3. Definitions

For purposes of this endorsement, the following definitions apply.

- a. *Catastrophic incident* means any of the following:
 - (1) Any weather-related or other event for which FEMA (Federal Emergency Management Administration) assistance is available;

- (2) Any interruption in the electric power supply to the *city's* sewer system or to any *city* sewer lift station which continues for more than 72 hours; or
 - (3) Rainfall of precipitation which exceeds the amount determined by the National Weather Service to constitute a 100-year storm event.
- b. *Sewer back-up damage* means damage to property, including removal and clean-up costs, resulting from a sewer back-up.
 - c. *Water main break damage* means damage to property, including removal and clean-up costs, resulting from the rupture of a *city* water main, line, or pipe.

4. Limits

- a. *LMCIT* will not pay more than \$10,000 for *sewer back-up damage* to any building under this endorsement, regardless of the number of *occurrences* or the number of claimants. For purposes of this limit
 - (1) A structure or group of structures served by a single connection to the *city's* sewer system is considered a single building.
 - (2) If a single structure is served by more than one connection to the *city's* sewer system, the portion of the structure served by each respective connection is considered a separate building.
- b. *LMCIT* will not pay more than \$10,000 for *water main break damage* to any claimant, regardless of the number of *occurrences* or the number of properties affected.
- c. *LMCIT* will not pay more than \$250,000 for *water main break damage* resulting from any single occurrence. All *water main break damage* which occurs during any period of 72 consecutive hours is deemed to result from a single *occurrence*.

If the total *water main break damage* for all claimants in a single *occurrence* exceeds \$250,000, the reimbursement to each claimant will be calculated as follows:

- (1) A preliminary reimbursement figure is established for each claimant, equal to the lesser of the claimant's actual *damages* or \$10,000.
- (2) The sum of the preliminary reimbursement figures for all claimants will be calculated.
- (3) Each claimant will be paid a percentage of his or her preliminary reimbursement figure, equal to the percentage calculated by dividing \$250,000 by the sum of all claimants' preliminary reimbursement figures.

5. Deductibles

The amount *LMCIT* pays for *sewer back-up damages* or *water main break damage* under this endorsement is subject to the Municipal Liability Deductible shown in the Municipal Liability Declarations or the General Annual Aggregate Deductible if any shown in the Common Coverage Declarations.

For purposes of the Municipal Liability Deductible, all claims for *sewer back-up damages* which are covered under this endorsement, which occur within a 72 hour period, and which result from or are related to the same condition or conditions in the *city's* sewer system are deemed to be a single *occurrence*; and *water main break damage* which is covered under this endorsement and which occurs during any period of 72 consecutive hours is deemed to be a single *occurrence*.

6. Retroactive Date

The retroactive date for this endorsement is _____.

All other terms and conditions remain unchanged.

COMPREHENSIVE MUNICIPAL COVERAGE

No-Fault Sewer Back-up and Water Main Break Coverage Endorsement (\$25,000 Limit)

Section I, Coverage A, Municipal Liability Coverage, is amended to include no-fault sewer back-up and water main break coverage as outlined below.

1. No-fault sewer back-up coverage

a. If all of the following four conditions are met, *LMCIT* will pay for claims presented by the *city* for *sewer back-up damage* to property of others which was not caused by *city* negligence:

- (1) The sewer back-up resulted from a condition in the *city's* sewer system;
- (2) The sewer back-up was not the result of an obstruction or other condition in sewer pipes or lines which are not part of the *city's* sewer system or which are not owned or maintained by the *city*; and
- (3) The sewer back-up was not caused by or related to a *catastrophic incident*.
- (4) The date of the *occurrence* giving rise to the claim for *damages* must be on or after the retroactive date shown on this endorsement.

b. However, *LMCIT* will not pay for any *damages* or expenses:

- (1) Which are or would be covered under a National Flood Insurance Program flood insurance policy, whether or not such insurance is in effect; or
- (2) For which the property owner has been reimbursed or is eligible to be reimbursed by any homeowners' or other property insurance.

2. No-fault water main break coverage.

LMCIT will pay for claims presented by the *city* for *water main break damage* to property of others which was not caused by *city* negligence. But *LMCIT* will not pay for any *damages* or expenses for which the property owner has been or is eligible to be reimbursed by any homeowners' or other property insurance.

3. Definitions

For purposes of this endorsement, the following definitions apply.

a. *Catastrophic incident* means any of the following:

- (1) Any weather-related or other event for which FEMA (Federal Emergency Management Administration) assistance is available;

- (2) Any interruption in the electric power supply to the *city's* sewer system or to any *city* sewer lift station which continues for more than 72 hours; or
 - (3) Rainfall of precipitation which exceeds the amount determined by the National Weather Service to constitute a 100-year storm event.
- b. *Sewer back-up damage* means damage to property, including removal and clean-up costs, resulting from a sewer back-up.
 - c. *Water main break damage* means damage to property, including removal and clean-up costs, resulting from the rupture of a *city* water main, line, or pipe.

4. Limits

- a. *LMCIT* will not pay more than \$25,000. for *sewer back-up damage* to any building under this endorsement, regardless of the number of *occurrences* or the number of claimants. For purposes of this limit
 - (1) A structure or group of structures served by a single connection to the *city's* sewer system is considered a single building.
 - (2) If a single structure is served by more than one connection to the *city's* sewer system, the portion of the structure served by each respective connection is considered a separate building.
- b. *LMCIT* will not pay more than \$25,000 for *water main break damage* to any claimant, regardless of the number of *occurrences* or the number of properties affected.
- c. *LMCIT* will not pay more than \$250,000 for *water main break damage* resulting from any single occurrence. All *water main break damage* which occurs during any period of 72 consecutive hours is deemed to result from a single *occurrence*.

If the total *water main break damage* for all claimants in a single *occurrence* exceeds \$250,000, the reimbursement to each claimant will be calculated as follows:

- (1) A preliminary reimbursement figure is established for each claimant, equal to the lesser of the claimant's actual *damages* or \$25,000.
- (2) The sum of the preliminary reimbursement figures for all claimants will be calculated.
- (3) Each claimant will be paid a percentage of his or her preliminary reimbursement figure, equal to the percentage calculated by dividing \$250,000 by the sum of all claimants' preliminary reimbursement figures.

5. Deductibles

The amount *LMCIT* pays for *sewer back-up damages* or *water main break damage* under this endorsement is subject to the Municipal Liability Deductible shown in the Municipal Liability Declarations or the General Annual Aggregate Deductible if any shown in the Common Coverage Declarations.

For purposes of the Municipal Liability Deductible, all claims for *sewer back-up damages* which are covered under this endorsement, which occur within a 72 hour period, and which result from or are related to the same condition or conditions in the *city's* sewer system are deemed to be a single *occurrence*; and *water main break damage* which is covered under this endorsement and which occurs during any period of 72 consecutive hours is deemed to be a single *occurrence*.

6. Retroactive Date

The retroactive date for this endorsement is _____.

All other terms and conditions remain unchanged.

COMPREHENSIVE MUNICIPAL COVERAGE

No-Fault Sewer Back-up and Water Main Break Coverage Endorsement (\$40,000 Limit)

Section I, Coverage A, Municipal Liability Coverage, is amended to include no-fault sewer back-up and water main break coverage as outlined below.

1. No-fault sewer back-up coverage

- a. If all of the following four conditions are met, *LMCIT* will pay for claims presented by the *city* for *sewer back-up damage* to property of others which was not caused by *city* negligence:
 - (1) The sewer back-up resulted from a condition in the *city's* sewer system;
 - (2) The sewer back-up was not the result of an obstruction or other condition in sewer pipes or lines which are not part of the *city's* sewer system or which are not owned or maintained by the *city*; and
 - (3) The sewer back-up was not caused by or related to a *catastrophic incident*.
 - (4) The date of the *occurrence* giving rise to the claim for *damages* must be on or after the retroactive date shown on this endorsement.
- b. However, *LMCIT* will not pay for any *damages* or expenses:
 - (1) Which are or would be covered under a National Flood Insurance Program flood insurance policy, whether or not such insurance is in effect; or
 - (2) For which the property owner has been reimbursed or is eligible to be reimbursed by any homeowners' or other property insurance.

2. No-fault water main break coverage.

LMCIT will pay for claims presented by the *city* for *water main break damage* to property of others which was not caused by *city* negligence. But *LMCIT* will not pay for any *damages* or expenses for which the property owner has been or is eligible to be reimbursed by any homeowners' or other property insurance.

3. Definitions

For purposes of this endorsement, the following definitions apply.

- a. *Catastrophic incident* means any of the following:
 - (1) Any weather-related or other event for which FEMA (Federal Emergency Management Administration) assistance is available;

- (2) Any interruption in the electric power supply to the *city's* sewer system or to any *city* sewer lift station which continues for more than 72 hours; or
 - (3) Rainfall of precipitation which exceeds the amount determined by the National Weather Service to constitute a 100-year storm event.
- b. *Sewer back-up damage* means damage to property, including removal and clean-up costs, resulting from a sewer back-up.
 - c. *Water main break damage* means damage to property, including removal and clean-up costs, resulting from the rupture of a *city* water main, line, or pipe.

4. Limits

- a. *LMCIT* will not pay more than \$40,000. for *sewer back-up damage* to any building under this endorsement, regardless of the number of *occurrences* or the number of claimants. For purposes of this limit
 - (1) A structure or group of structures served by a single connection to the *city's* sewer system is considered a single building.
 - (2) If a single structure is served by more than one connection to the *city's* sewer system, the portion of the structure served by each respective connection is considered a separate building.
- b. *LMCIT* will not pay more than \$40,000 for *water main break damage* to any claimant, regardless of the number of *occurrences* or the number of properties affected.
- c. *LMCIT* will not pay more than \$250,000 for *water main break damage* resulting from any single occurrence. All *water main break damage* which occurs during any period of 72 consecutive hours is deemed to result from a single *occurrence*.

If the total *water main break damage* for all claimants in a single *occurrence* exceeds \$250,000, the reimbursement to each claimant will be calculated as follows:

- (1) A preliminary reimbursement figure is established for each claimant, equal to the lesser of the claimant's actual *damages* or \$40,000.
- (2) The sum of the preliminary reimbursement figures for all claimants will be calculated.
- (3) Each claimant will be paid a percentage of his or her preliminary reimbursement figure, equal to the percentage calculated by dividing \$250,000 by the sum of all claimants' preliminary reimbursement figures.

5. Deductibles

The amount *LMCIT* pays for *sewer back-up damages* or *water main break damage* under this endorsement is subject to the Municipal Liability Deductible shown in the Municipal Liability Declarations or the General Annual Aggregate Deductible if any shown in the Common Coverage Declarations.

For purposes of the Municipal Liability Deductible, all claims for *sewer back-up damages* which are covered under this endorsement, which occur within a 72 hour period, and which result from or are related to the same condition or conditions in the *city's* sewer system are deemed to be a single *occurrence*; and *water main break damage* which is covered under this endorsement and which occurs during any period of 72 consecutive hours is deemed to be a single *occurrence*.

6. Retroactive Date

The retroactive date for this endorsement is _____.

All other terms and conditions remain unchanged.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested	
Consent	_____
Public Hearing	_____
Discussion	___X___
Action	___X___
Resolution	_____
Work Session	_____

Meeting Date	November 12, 2013
ITEM NUMBER	City Logo _____
STAFF INITIAL	_____
APPROVED BY ADMINISTRATOR	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The logo was revised based on the most recent feedback from the City Council. I think it is ready for adoption!

OPTIONS:

Discuss if any changes are needed or approve the new city logo!

STAFF RECOMMENDATION:

COUNCIL ACTION:



FINAL VERSION - LIGHTER COLOR



LAUDERDALE COUNCIL

ACTION REQUESTED

Consent _____
Special _____
Public Hearing _____
Report _____
Discussion X _____
Action X _____
Resolution _____
Work session _____

MEETING DATE November 12, 2013ITEM NUMBER 2014 Recycling RatesSTAFF INITIAL Jim

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City charges residents \$2.45 per household per month for recycling.

The contractor's charge to the City was \$2.40 per household per month from 2009-2011. This increased to \$2.47 in 2012, and \$2.52 for 2013., which is the last year of the City's current contract with Eureka! Recycling.

Monthly charges from the contractor are currently \$2,898.00. However, the revenue sharing from the contractor (as part of the contract agreement), lowers this cost. Revenue sharing varies depending on volume and the markets for paper and aluminum. So far in 2013, the city has received an average of \$669 per month in revenue sharing.

Thus, the Recycling Fund remains healthy, with no need to increase recycling rates for 2014. The City can wait until next year to consider increasing rates after we know what the contractor's charge will be with the new contract.

I have included a spreadsheet analysis for how a 0% increase would affect the fund for 2014-2016.

OPTIONS:

- 1) Leave recycling rates unchanged (staff recommendation).
- 2) Increase or decrease the recycling rates.

STAFF RECOMMENDATION:

Discuss recycling rates for 2014. Staff will plan to bring a resolution to the next meeting for adoption.

COUNCIL ACTION:

Recycling Cash Flow Analysis (Fund 203)

Line	2012 Actual	2013 Budget	2014 Budget	2015	2016
			0% Increase	0% Increase	0% Increase
2					
3	\$2.45	\$2.45	\$2.45	\$2.45	\$2.45
4					
5					
6	\$113,621	\$104,111	\$110,480	\$116,022	\$120,527
7					
8	\$35,420	\$35,000	\$35,000	\$35,000	\$35,000
9	\$574	\$800	\$300	\$300	\$300
10	\$4,947	\$5,000	\$4,800	\$4,800	\$4,800
11	\$40,941	\$40,800	\$40,100	\$40,100	\$40,100
12					
13	\$31,767	\$34,431	\$34,558	\$35,595	\$36,663
14	\$9,174	\$6,369	\$5,542	\$4,505	\$3,437
15					
16	\$104,111	\$110,480	\$116,022	\$120,527	\$123,965
17					
22					
23					
24					
25	Note: 2015-2016 Total Expenditures based on a 3% annual increase over the 2014 budget.				
26					

LAUDERDALE COUNCIL

ACTION REQUESTED	MEETING DATE <u>November 12, 2013</u>
Consent _____	ITEM NUMBER <u>2014 Sanitary Sewer Rates</u>
Special _____	
Public Hearing _____	
Report _____	
Discussion _____	
Action _____	STAFF INITIAL <u>Jim/Heather</u>
Resolution _____	
Work session <u>X</u>	APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Since the completion of the street improvement projects, the auditors calculate each year how much the improvements have depreciated. It has been right around \$34,000 for a total of \$266,000 over the past eight years. This gets reflected in the City's financial statements.

Each year when we revisit the sewer rates, we discuss the balance that could be transferred from the sanitary sewer enterprise fund (the operating fund) to the sanitary sewer capital improvement fund (the long-term savings fund). While a transfer doesn't have to be made, over time the balance of the enterprise fund grows as the fund shows a depreciation expense that doesn't actually get paid to anyone.

Staff have been discussing the value of making an annual transfer of some amount from the sanitary sewer operating fund to the savings fund to pay for sewer improvements in the distant future (30+ years out). The next time the streets need to be repaired, the City won't have a TIF district to fund a portion of the project as it did this time. Any amount can be set aside. An annual transfer of \$35,000-\$40,000 would be needed if you wanted to set aside the full depreciation amount.

The attached spreadsheet shows how various fee increases would affect the funds for 2014-2016 while setting aside \$20,000 for future repairs (and \$130,000 yet in 2013). It also reflects retaining 100% of the next year's operating expenses in the fund as opposed to 55%. An increase of 1-1.5% would allow for an annual transfer from the fund.

Currently, residential properties are billed a flat rate of \$48.54 per quarter for sanitary sewer. Commercial properties are billed monthly based on \$2.40 per unit of water consumption with a minimum monthly charge of \$13.00. The last rate increase was in 2011.

OPTIONS:

STAFF RECOMMENDATION:

Discuss how you would like to manage the sanitary sewer fund balance and future savings. Decide on a sewer rate for 2014. Staff will bring a resolution to the next meeting for adoption.

LAUDERDALE COUNCIL

ACTION REQUESTED	MEETING DATE <u>November 12, 2013</u>
Consent _____	ITEM NUMBER <u>2014 Storm Sewer Rates</u>
Special _____	_____
Public Hearing _____	_____
Report _____	_____
Discussion <u>X</u>	STAFF INITIAL <u>Jim</u>
Action <u>X</u>	_____
Resolution _____	_____
Work session _____	APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City Council adopted a Storm Water Utility Ordinance in 1994 that created a funding mechanism to help finance future improvements to the storm water system. Fees are calculated based on a residential equivalency factor (REF), which attempts to estimate the storm water contribution to the system. The base residential rate began at \$2.50 per quarter.

Fees increased \$1.00 per year up to \$6.50 through 1998 and remained at \$6.50 through 2002 per quarter per residential unit and the equivalent REF increase for other property types. The fee increased to \$7.50 per quarter per residential unit in 2003 based on the new NPDES permit and annual reporting requirements. Rates were increased 10% to \$8.25 for 2010, 12.5% to \$9.28 for 2011, 12.5% to \$10.44 for 2012, and 12.5% to \$11.75 for 2013. These were the first rate increases since 2003.

Storm sewer revenue is accounted for in Fund 602, the Storm Sewer Enterprise Fund. Staff recommends keeping at least 55% of the next year's operating expenses in the fund for 2014, gradually increasing that to 100% because the ongoing balance is quite low for an enterprise fund. In order to keep the fund at stable or increasing levels, rates need to be increased again for 2014.

- I have included a spreadsheet analysis for how various percentages would affect the fund for 2014-2016.

OPTIONS:

- 1) Increase storm sewer rates 12.5% for 2014 (staff recommendation).
- 2) Increase storm sewer rates a different percentage for 2014.
- 3) Leave storm sewer rates unchanged.

STAFF RECOMMENDATION:

Discuss storm sewer rates for 2014. Staff will plan to bring a resolution to the next meeting for adoption.

COUNCIL ACTION:

Storm Sewer Utility Cash Flow Analysis (Fund 602)

Line	2012 Actual	2013 Budget	2014 Budget	2015	2016	Lauderdale Historical Rates		
						Year	Residential	Commercial
2								
3	\$10.44	\$11.75	\$11.75	\$11.75	\$11.75	\$2.50	\$12.50	\$12.50
4	\$52.20	\$58.73	\$58.73	\$58.73	\$58.73	\$3.50	\$17.50	\$17.50
5						\$4.50	\$22.50	\$22.50
6	\$64,161	\$63,781	\$55,731	\$41,833	\$26,551	\$5.50	\$27.50	\$27.50
7						1998-2002	\$6.50	\$32.50
8	\$58,759	\$61,000	\$55,000	\$55,000	\$55,000	2003-2009	\$7.50	\$37.50
9	\$254	\$300	\$300	\$300	\$300	2010	\$8.25	\$41.25
10	\$0	\$0	\$0	\$0	\$0	2011	\$9.28	\$46.40
11	\$59,013	\$61,300	\$55,300	\$55,300	\$55,300	2012	\$10.44	\$52.20
12						2013	\$11.75	\$58.73
13	\$59,393	\$69,350	\$69,198	\$70,582	\$71,994	Local Comparison		
14	(\$380)	(\$9,050)	(\$13,898)	(\$15,282)	(\$16,694)	2013	Residential	Commercial
15						Lauderdale	\$11.75	\$58.73
16	\$63,781	\$55,731	\$41,833	\$26,551	\$9,857	Falcon Heights	\$22.00	\$41.06
17						West St. Paul	\$11.00	\$55.05
18	\$0	\$0	\$0	\$0	\$0	Average:	\$14.92	\$51.61
19	\$38,143	\$38,059	\$38,820	\$39,596	\$40,388			
20	\$0	\$0	\$0	\$0	\$0			
21	\$25,639	\$17,672	\$3,013	(\$13,045)	(\$30,531)			
22								
23								
24								
25								
26								
27								
28								
29								
30								
31	\$12.93	\$14.22	\$13.22	\$14.87	\$16.73	2014 Budget	2015	2016
32	\$64.60	\$71.06	\$66.07	\$74.33	\$83.62	10% Increase	12.5% Increase	15% Increase
33								
34	\$55,731	\$47,333	\$55,731	\$48,708	\$48,035	2014 Budget	2015	2016
35						10% Increase	12.5% Increase	15% Increase
36	\$60,500	\$66,550	\$61,875	\$69,609	\$78,311	15% Increase	15% Increase	15% Increase
37	\$300	\$300	\$300	\$300	\$300	2014 Budget	2015	2016
38	\$0	\$0	\$0	\$0	\$0	10% Increase	12.5% Increase	15% Increase
39	\$60,800	\$66,850	\$62,175	\$69,909	\$78,611	15% Increase	15% Increase	15% Increase
40								
41	\$69,198	\$70,582	\$69,198	\$70,582	\$71,994	2014 Budget	2015	2016
42	(\$8,398)	(\$3,732)	(\$7,023)	(\$673)	\$6,617	10% Increase	12.5% Increase	15% Increase
43								
44	\$47,333	\$43,601	\$48,708	\$48,035	\$54,652	2014 Budget	2015	2016
45						10% Increase	12.5% Increase	15% Increase
46	\$0	\$0	\$0	\$0	\$0	15% Increase	15% Increase	15% Increase
47	\$38,820	\$39,596	\$38,820	\$39,596	\$40,388	2014 Budget	2015	2016
48	\$0	\$0	\$0	\$0	\$0	10% Increase	12.5% Increase	15% Increase
49	\$8,513	\$4,005	\$9,888	\$8,439	\$14,264	15% Increase	15% Increase	15% Increase
50								

Note: 2015-2016 Total Expenditures are based on a 2% annual increase over the 2014 budget.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____
Action _____
Resolution _____
Work Session _____ X

Meeting Date November 12, 2013
ITEM NUMBER Community Development
STAFF INITIAL HE
APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

By way of update:

Luther Seminary: Their consultant is meeting with the Trust for Public Land in two weeks. I am meeting with her shortly thereafter for an update.

Rosehill Service Station: Still waiting on EPA approval for the Phase 1. The title commitment was sent by the sellers' attorney to Ron. Duane Grace inspected the Station and provided the attached report and additional comments.

Corval: They invited me to a celebration they had regarding their millionth hour without an accident. I attached the agenda so you can get a sense for how elaborate the event was. I met with Peter Jordan before the celebration; he wanted to gauge whether I thought the City would have an issue with them replacing their current office structure with a "butler building." I will explain more about this when we meet.

Ped. Project: The plans are being finished up and sent to the County for comment. They will be before the Council at the next meeting or the one in December.

OPTIONS:

STAFF RECOMMENDATION:

COUNCIL ACTION:

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____
Action _____
Resolution _____
Closed Session X

Meeting Date November 12, 2013
ITEM NUMBER Union Negotiations
STAFF INITIAL HB
APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City's union employees are asking for two items outlined in the draft contract for 2014 and 2015:

- A 3% pay increase each year.
- \$50/month more to cover insurance benefits.

The union staff considered asking for the City to pay for the entire cost of dental, health, and life insurance, which is what the City provided prior to the large health insurance increases we saw a couple of years ago. I demonstrated that the \$50/month increase they are asking for will cover those items in 2014 because the health insurance increase is only 1.9%.

I propose other text changes on pages 15 and 17 to make the contract in-line with the City's personnel policy. The union employees did not indicate this was an issue

The agenda item is listed as a closed session as the Council may discuss labor negotiations in closed sessions.

AGREEMENT BETWEEN
THE CITY OF LAUDERDALE
AND
AMERICAN FEDERATION OF STATE, COUNTY
AND MUNICIPAL EMPLOYEES
COUNCIL 5

January 1, 2014 - December 31, 2015

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ARTICLE 1: RECOGNITION

- A. The employer recognizes the employee representative as the representative of all workers who are defined as public employees by Minn. Stat. 179A, excluding supervisory and confidential employees.
- B. If the EMPLOYER establishes new job classes within the bargaining unit, both parties agree to negotiate on wages. All other terms and conditions of this AGREEMENT will apply.

ARTICLE 2: DEFINITIONS

The following words and phrases will have the meanings given here and will apply throughout this policy. All other words and phrases used in this policy will maintain their generally accepted common meanings.

- A. ANNIVERSARY DATE -the month and date of an employee's initial hiring or promotion.
- B. DESIGNATED PERSONNEL REPRESENTATIVE (S) -city council member(s) who act(s) as liaison(s) between the employees and the city council on personnel matters.
- C. EXEMPT EMPLOYEE -employees to whom the federal Fair Labor Standards Act does not apply. Generally, administrative, executive and professional employees are exempt employees.
- D. IMMEDIATE FAMILY -the employee's spouse and children and the following relatives of either the employee or the employee's spouse: mother, father, brother, sister, grandparent, aunt, uncle, stepparent or legal guardian.
- E. INDEPENDENT CONTRACTOR/CONSULTANT -persons or firms hired by the City who determine their own hours of operation or use their own resources in the performance of their duties. Independent contractors and consultants are not City employees.
- F. NON-EXEMPT EMPLOYEE -employees to whom the federal Fair Labor Standards Act applies.
- G. OVERTIME -time worked by non-exempt employees in excess of 8 hours per day or forty (40) hours per week.
- H. PART-TIME EMPLOYEE
- 1) REGULAR PART-TIME EMPLOYEE -an employee retained on a non-temporary basis who works less than forty (40) hours per week on a regular schedule throughout the year.
 - 2) NON-REGULAR PART-TIME EMPLOYEE -an employee retained on a temporary basis who works less than forty (40) hours per week on an irregular schedule throughout the year.

- I. REGULAR FULL-TIME EMPLOYEE -an employee retained on a non-temporary basis who works forty (40) hours or more per week on a regular schedule throughout the year.
- J. TEMPORARY OR SEASONAL EMPLOYEE -an employee retained to fill a full-time or part-time position which is of a provisional or seasonal nature.
- K. TERMINATION -a complete separation of an employee from City employment. Termination can be voluntary, through resignation or retirement, or involuntary, through discharge by the City.
- L. EMPLOYEE REPRESENTATIVE -The American Federation of State, County and Municipal Employees, Council 5.
- M. STEWARD -An employee designated by the UNION for the purposes of communicating with the EMPLOYER on matters of interest to either party; and representing bargaining unit members in the union grievance process.

ARTICLE 3: NON-DISCRIMINATION

It is the City's policy to provide equal employment opportunity to all employees and applicants for employment in accordance with all applicable equal employment opportunity-affirmative action laws, directives and regulations of Federal, State and Local governing bodies or agencies thereof.

ARTICLE 4: UNION SECURITY

- A. In recognition of the UNION as the exclusive representative:
 - A.1 The EMPLOYER shall once each month deduct an amount sufficient to provide the payment of regular dues established by the UNION from the wages of all employees authorizing, in writing, such deduction on a form designated and furnished for such purpose by the UNION. The employer will deduct a "fair-share" fee according to Minn. Stat. 179A from the wages of those employees choosing not to join the union and provide the fair share fee to the union through an equivalent process. Only the duly certified exclusive representative shall be granted payroll deduction of dues and fair share fees for employees covered by this AGREEMENT.
 - A.2 The EMPLOYER shall remit such deductions monthly to the appropriate designated officer of the UNION with a list of the names of the employees from whose wages deductions were made.

- A.3 The UNION shall certify to the EMPLOYER, in writing, the current amount of regular dues to be withheld and any fair share assessments authorized by law.
- A.4 Such dues deductions shall be canceled by the EMPLOYER upon written request by the employee, at which time a fair share fee will be deducted as authorized by law.
- A.5 The EMPLOYER shall, upon request of the UNION, make available to the UNION a report listing all employees included in the bargaining unit as identified by the article herein titled "Recognition." Such report shall contain the name, classification, pay rate, work unit and mailing address of record.
- B. The UNION agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders or judgments brought or issued against the EMPLOYER as a result of any action taken or not taken under the provisions of this article.
- C. The UNION may designate certain employees from the bargaining unit to act as stewards and shall, within thirty (30) days of the execution of this AGREEMENT and upon occurrence of any change thereafter, certify to the EMPLOYER a current list of business representatives, officers and stewards who are authorized by the UNION to investigate and present grievances to the EMPLOYER. The EMPLOYER agrees to recognize such representatives for the purpose of investigating and presenting grievances to the EMPLOYER subject to the following stipulations:
- C.1 Not more than one employee representative (steward or officer) will be authorized time off with pay to investigate or present any one grievance matter to the EMPLOYER. Nothing in this clause is intended to limit the number of UNION stewards who may request to use their own time (vacation, compensatory, or time without pay) to investigate and present grievances.
- C.2 Employee stewards and officers may leave their work stations with the concurrence of their designated supervisor(s), and they shall notify their designated supervisor(s) upon return to their work stations. Concurrence of the supervisor to leave a workstation for UNION business will be limited to the investigation and presentation of grievances to the EMPLOYER.

- C.3 One employee representative (steward or officer) of the UNION shall receive paid time off to participate in contract negotiations and meet and confer meetings.
- C.4 The EMPLOYER shall make reasonable adjustments to the workloads of employee representatives of the UNION who receive paid time off for UNION related activities under the provisions of subsections A, B, and C, above.
- D. Non-employee business representatives of the UNION as previously designated to the EMPLOYER as provided herein may, with concurrence of the EMPLOYER, come on the premises of the EMPLOYER for the purpose of investigating and presenting grievances.
- E. The UNION may use the EMPLOYERS facilities for UNION business with prior approval of the EMPLOYER.
- F. The EMPLOYER agrees to allow the UNION to use designated bulletin boards for the purpose of posting notices of UNION meetings, UNION elections, UNION election returns, UNION appointments to office, UNION recreational and social affairs, arbitration awards, decisions of the Bureau of Mediation Services and the courts, and other items authorized by signature of union officers. All posted materials must be UNION publication or legibly signed by an authorized UNION officer.
- G. Nothing in this AGREEMENT shall be construed to affect the status of veterans in contravention of existing veterans preference laws relating to the employment, discharge or promotion of veterans.
- H. The EMPLOYER shall allow officially designated union officers a 20-minute period within the new employee orientation period to brief new bargaining members on the union and to provide a copy of this AGREEMENT and any other official materials authorized by union officers.

ARTICLE 5: MEET AND CONFER

At least once each month or as often as mutually agreed upon, the parties will meet and confer to discuss non-negotiable items such as health and safety, work rules and procedures, and other items which are mutually agreed upon.

ARTICLE 6: SENIORITY

- A. Seniority is an employee's length of service for the EMPLOYER from the most recent date of employment, re-employment or reinstatement.
- A.1 Seniority is not interrupted during the period an employee is on approved leave, including leave for UNION business or layoff, if the employee returns to active work status having complied with all the terms and conditions of this AGREEMENT and the conditions the EMPLOYER established in approving the leave.
- A.2 An employee appointed to a permanent position in the same job class and department as he/she was employed as a temporary employee shall have seniority for purposes of layoff and recall from the employee's most recent date of hire as a temporary employee, provided such temporary and permanent appointments are contiguous and sequential.
- B. Seniority lists shall contain the names of bargaining unit employees by class arranged in order of most to least senior. Upon request of the UNION, the EMPLOYER shall establish a seniority list for all bargaining unit members.
- C. The City Council may layoff any employee whenever such action becomes necessary in the city council's judgment, including shortage of work funds, the abolition of a position, or changes in organization; provided, however, that fourteen (14) days written notice be given if practicable. No regular or probationary employee shall be laid off while there is a temporary employee serving in the same class of position or for which the regular or probationary employee is qualified, eligible and available. Any regular employee, upon receiving a lay-off notice, may request to be reduced to a lower paid position within the same department if the lower paid position is vacant and the employee held the position previously. The request to be reduced must be submitted in writing within seven (7) calendar days of receipt of the notification of lay-off. Except in those instances where senior employees are not qualified to perform remaining work duties, seniority shall determine the order of:
- C.1 Layoff, (which shall be in inverse order of seniority with the City).

C.2 Recall from layoff, (which shall be in order of seniority with the city, provided that if an employee does not return to work upon recall, as directed by the EMPLOYER or on an extended date mutually acceptable to the employee and EMPLOYER, he/she shall automatically have terminated his/her employment). Notice of recall from layoff shall be made by certified mail to the employees last known address as shown by the employer's records. The employee will have 14 days to respond to this recall notice before recall rights to the position are waived.

D. The most senior employee with the minimum qualifications for an open position will receive first choice of whether or not to take that position.

ARTICLE 7: DISCIPLINE

A. The EMPLOYER will discipline employees only for just cause. The employer will follow the principle of progressive discipline wherever practicable.

B. Discipline, when administered, will be in one or more of the following forms and normally in the following order:

1. Oral Reprimand
2. Written Reprimand
3. Suspension
4. Discharge or disciplinary demotion.

C. If the EMPLOYER has reason to reprimand any employee, it shall normally not be done in the presence of other employees or the public.

D. Written reprimands, disciplinary suspensions, disciplinary demotions or discharge of permanent employees may be appealed up to and through the arbitration step of the grievance procedure contained in this AGREEMENT. The employer will notify the union promptly of all such disciplinary actions.

E. Investigations, which do not result in disciplinary actions, shall not be entered into the employee's personnel records. A written record of all disciplinary actions shall be entered into the employee's personnel record. All disciplinary entries in the personnel office record shall normally state the corrective action expected of the employee.

E.1 An employee who is reprimanded in writing, suspended, demoted for disciplinary reasons, or

discharged shall be furnished with a copy of notice of such disciplinary action.

E.2 Employees shall have access to information contained in their personnel records in accordance with the provisions of the Data Practices Act, as mentioned.

F. Employees will not be questioned concerning an administrative investigation of disciplinary action more serious than a written warning unless the employee has been given an opportunity to have a UNION representative present at such questioning. When mutually agreeable, the UNION shall have the right to take up a suspension, demotion, and/or discharge as a grievance at the second step of the grievance procedure, and the matter shall be handled in accordance with this procedure through the arbitration step if deemed necessary.

G. Disciplinary action shall be taken in a timely manner.

ARTICLE 8: GRIEVANCE PROCEDURE

A grievance shall be defined as a dispute or disagreement raised by an employee against the EMPLOYER involving the interpretation or application of the specific provisions of this AGREEMENT.

A. Step One: Oral report. The employee or union representative will discuss the grievance with his or her supervisor or the designated personnel representative within 10 working days of the incident or the time the employee learned of the incident. The supervisor shall give his/her oral or written answer within 10 working days after the employee or representative has presented the grievance.

B. Step Two: Hearing. If the grievance is not satisfactorily resolved in Step one and the UNION wishes to appeal the grievance to Step two of the grievance procedure, it shall be referred, in writing, to the City Administrator within 10 working days after the designated supervisor's answer. The grievance appeal shall be initiated by means of a written grievance which shall set forth the nature of the grievance, the facts on which it is based, the provisions of the AGREEMENT allegedly violated, and the relief requested. The City Administrator shall discuss the grievance with the employee and the UNION within 10 working days after the date presented at a time agreeable to the parties. The City Administrator and/or his/her designated representative shall give written answer to the employee and the UNION representative within 10 working days following their

meeting, or two days subsequent to the next meeting of the City Council, whichever is greater.

C. Grievance time frames may be extended with the mutual consent of the parties. If a grievance is unresolved at Step two, the parties may agree to seek a mediated settlement through Minnesota Bureau of Mediation Services. Any fees and expenses for the Mediator's services and proceedings shall be borne equally by the EMPLOYER and the UNION, provided that each party shall be responsible for compensating its own representatives and witnesses. Employees who serve as such representatives or witnesses shall not be compensated at a rate in excess of their base pay rate.

D. **Step Three: ARBITRATION** -If the grievance is not settled in accordance with the foregoing procedure, the UNION and employee may refer the grievance to arbitration within fourteen (14) calendar days after the employee and UNION'S receipt of the EMPLOYER'S written answer in Step two.

The parties shall mutually agree upon an arbitrator. If the parties are unable to agree on an arbitrator, the selection of an arbitrator shall be made in accordance with the "Rule Governing the Arbitration of Grievances" as established by the Public Employment Relations Board and administered by the State of Minnesota Bureau of Mediation Services.

The arbitrator shall hear the grievance at a scheduled meeting subject to the availability of the EMPLOYER and the UNION representatives. The arbitrator shall inform the employee, the UNION representative and the EMPLOYER of his/her decision within thirty (30) calendar days following the close of the hearing or submission of briefs by the parties, whichever is later, unless the parties agree to an extension thereof.

The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION, provided that each party shall be responsible for compensating its own representatives and witnesses. Employees who serve as such representatives or witnesses shall not be compensated at a rate in excess of their base pay rate. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, provided it pays for the record. If both parties desire a verbatim record of the proceedings, the cost shall be shared equally.

The arbitrator shall not have the right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this AGREEMENT. The arbitrator shall consider and decide

only the specific issue(s) submitted, in writing, by the EMPLOYER and the employee/UNION, and shall have no authority to make a decision on any other issue(s) not so submitted. The arbitrator shall be without power to make decisions contrary to or inconsistent with or modifying or varying in any way the application of laws, rules or regulations having the force and effect of law. The decision shall be based solely upon the arbitrator's interpretation or application of the express terms of this AGREEMENT and on the facts of the grievance presented.

The parties may, by written agreement, agree to submit more than one grievance to the arbitrator provided that each grievance will be considered as a separate issue and each on its own merits. If a grievance is not presented within the time limits set forth above, it shall be considered waived. If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYERS last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the employee and the UNION 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 written agreement of the EMPLOYER and UNION representatives involved in each step.

The grievant shall not suffer loss of regular pay. The presence of the grievant is necessary at a grievance presentation meeting with the EMPLOYER or an Arbitrator, except where such grievance presentation meeting or arbitration hearing occurs during the period the grievant has been removed from his/her job for disciplinary reasons.

ARTICLE 9: NO STRIKE-NO LOCKOUT

- A. In recognition of the provisions included in this AGREEMENT for a grievance procedure to be used for resolution of disputes, the UNION agrees that neither the UNION, its officers or agents, nor any of the employees covered by this AGREEMENT will engage in, encourage, sanction, support or suggest any strikes, slow downs, mass absenteeism, mass use of sick leave, the willful absence from one's position, the stoppage of work or the abstinence in whole or in part of the full, faithful and proper performance of the duties of employment. Any violation of any provisions of this Article may be cause for disciplinary action up to and including discharge.

- B. No lockout shall be instituted by the EMPLOYER during the life of this AGREEMENT provided Section A of this article is not violated by employees or the UNION.

ARTICLE 10: WORK SCHEDULES

The normal hours of work for all employees will be established by the City Council with specific work schedules subject to the City Council's approval. Department heads and supervisory employees are required to work all hours necessary to perform their duties.

- A. Part-time and Temporary Employees' Work Schedules. The City shall provide temporary, seasonal and non-regular part-time employees with an advance approximation of hours to be worked during the upcoming year at the time of hiring whenever possible. This approximation is not a guarantee of those hours but rather a guideline subject to change at the City's discretion.
- B. Rest Breaks. An employee is entitled to take one fifteen (15) minute rest break during each consecutive four (4) hour period of work with the permission of the employee's immediate supervisor. Rest breaks should be scheduled to avoid disrupting City business. An employee may take an unpaid 30 minute lunch break.
- C. Call Back. An employee called in for work at a time other than the employees' normal scheduled shift will be compensated for a minimum of two (2) hours pay. That compensation will be at straight time until total hours worked for the week exceeds 40 or in excess of eight (8) on any given day, at which time the employee will receive payment at the overtime rate.
- D. On Call/Standby. Employees required to remain on standby will be compensated for all hours worked, and will receive additional time at regular pay for each eight hours (8) hours on standby. Monday through Friday, employee will receive an additional one-half hour of regular pay for each eight (8) hours on standby. Saturday, Sunday, and Holidays, employees will receive 3.5 hours of regular pay for each day on standby. Employees who are on standby must be able to be within City limits as soon as possible and no later than 45 minutes when called, in normal circumstances. Standby duties may be contracted to an outside service provider at any time.

ARTICLE 11: OVERTIME AND COMP TIME

- A. All non-exempt employees are eligible for overtime pay. Overtime will be paid at a rate of one and one half times the regular hourly rate of pay for hours worked in excess of 8 on any given day or each hour worked over forty (40) hours in a given work week. Overtime work must have prior approval by an employee's immediate supervisor or the designated personnel representative except in the case of emergencies.
- B. All paid leave time shall be considered time worked for the purpose of computing overtime.
- C. Compensatory time off may be available to non-exempt employees at the City's option as an alternative to overtime pay. If available, non-exempt employees are eligible for compensatory time off at the rate of one and one-half hour for each hour worked in excess of forty (40) hours per week. Compensatory time off must be used within two (2) weeks of the date or dates on which it is accrued unless permission is received from the designated personnel representative(s) to use it on a later date. No compensatory time off is available unless the employee has received approval from his or her supervisor or the designated personnel representative(s) before the work is performed.

ARTICLE 12: BENEFIT ELIGIBILITY

Only regular full-time and regular part-time employees are eligible for benefits. Non-regular part-time employees, temporary and seasonal employees, and independent contractors and consultants are not eligible for benefits provided by the City. Regular full-time employees are eligible for full benefits. Regular part-time employees are eligible for holiday, vacation and sick leave benefits in proportion to the hours they work per week rated on the following scale:

Under 20 hours per week	Holidays & Sick leave at 1/4 benefits
20 to 30 hours per week	1/2 benefits
30 to 40 hours per week	3/4 benefits
40 or more hours per week	Full benefits

ARTICLE 13: HOLIDAYS

The following days are observed paid holidays:

New Year's Day	January 1
Martin Luther King Day	3rd Monday in January
Presidents' Day	3rd Monday in February
Memorial Day	Last Monday in May

Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
The day following Thanksgiving Day	4th Friday in November
Christmas Eve Day	December 24
Christmas Day	December 25

- A. Whenever one of the above holidays falls on a Saturday, the preceding day will be observed as a holiday. Whenever one of the above holidays falls on a Sunday, the following day will be observed as a holiday.
- B. Regular employees working a holiday will receive 2 times their normal rate of pay, in addition to any other premiums, overtime or standby pay. Employees may elect to receive part of this pay in compensatory time subject to supervisor scheduling approval.
- C. Personal Holidays: Full-time employees shall also receive one (1) personal holiday per year. The date of such personal holiday shall be approved by the EMPLOYER. Personal holidays shall be taken during the calendar year earned.

ARTICLE 14: VACATION

Vacation may be used as earned after the probationary period has been satisfactorily completed. Vacation is computed based on the employee's anniversary date.

- A. Accumulation. Vacation for regular full-time employees is accumulated as shown, based on the number of years of employment with the City:

0 through 5 years of service - 3.08 Hours per pay period to a maximum of 10 days per year.

6 through 10 years of service - 4.62 hours per pay period to a maximum of 15 days per year.

Employees with more than 10 years of service with the City will accrue an additional .31 hours per pay period for each year of service starting the eleventh (11) year up to twenty (20) years. The maximum accrual for those with more than ten (10) years of service is 320 hours or forty (40) days.

Employees may carry over twice their annual vacation-earning rate. Any unused vacation time in excess of this amount will be forfeited unless other provisions are made by the city council. Regular full-time employees must use at least five

(5) days of vacation time during each year of City employment. The word "day" implies a nominal eight-hour shift.

B. Requests. Vacation time must be requested at least forty-eight (48) hours in advance. Vacation requests must be approved by the employee's supervisor or the designated personnel representative and may be denied in the event of an emergency or if taking a vacation at that time would impair the City's ability to carry out its business.

C. Legal Holidays during Vacation. Whenever a legal holiday falls on a working day during an employee's vacation, that holiday will not be counted as a vacation day.

D. Terminal Leave. Any employee leaving the Municipal service in good standing shall be compensated for vacation leave accrued and unused to the date of separation.

ARTICLE 15: INSURANCE

All regular full and part-time employees may be covered by a group health, dental, life, short-term disability and long-term disability insurance plan as approved, from time to time, by the City Council. A portion of the monthly premium costs of such insurance plan may be paid by the Municipality, such portion to be negotiated by the EMPLOYER and the UNION. The balance of the premium costs shall be paid by the employee. The Employer will also offer a deferred compensation plan.

The Employer will provide, as part of the group insurance plan and ~~at no cost to the employee~~, basic life insurance coverage equal to the annual salary of the employee, up to \$50,000 of annual salary. Additional units of life insurance may be purchased by the employee as permitted by the Insurance Carrier.

Effective January 1, 2012~~4~~, the Employer will increase by fifty dollars (\$50.00) per month, its maximum contribution to the cost of group insurance. The City will contribute up to a maximum of ~~seven eight~~ hundred fifty dollars (\$7850) per month per employee for group health, dental, life, short-term and long-term disability insurance.

Effective January 1, 2013~~4~~, the Employer will increase by fifty dollars (\$50.00) per month, its maximum contribution to the cost of group insurance. The City will contribute up to a maximum of ~~eight~~nine hundred dollars (\$8900) per month per employee for group health, dental, life, short-term and long-term disability insurance.

DEFERRED COMPENSATION

Should an employee have their primary insurance provided by an outside entity, such as a spouse's employer, the employee may elect for contributions to a deferred compensation fund in an amount based on benefit eligibility. Each month, the Employer shall pay into full time employees' deferred compensation funds an amount equal to the cost provided for group insurance as described on page 15. Part time employees' deferred compensation will be proportional to their benefit eligibility.

At no time can the cost to the Employer for insurance plus deferred compensation exceed the maximum insurance contribution defined on page 15.

In order to qualify, the employee must provide proof of insurance. The deferred compensation contribution will end if the employee rejoins the employers' group health insurance program.

ARTICLE 16: WAGES

Step System: Employees shall receive a one step increase at 6 months, and another step at the anniversary of their first year of employment. Employees will receive a one increment increase annually thereafter upon the anniversary of their hire up to the 5th step.

2012₄ Pay Increase: Employees shall receive a 23% pay increase effective January 1, 2012₄.

2013₅ Pay Increase: ~~There will be a wage opener in the fall of 2012 to discuss only one item, wages for 2013~~ Employees shall receive a 3% pay increase effective January 1, 2015.

ARTICLE 17: AUTO-ALLOWANCE

Employees authorized to use their personal vehicles on City business will be reimbursed for vehicle expenses at rates set under federal guidelines or by the city council by separate contract.

When employees possess specialized equipment (snowplows, bobcats, etc.), the City cannot require employees to donate the use of that equipment, and must negotiate a rental fee that is acceptable to employees.

ARTICLE 18: UNIFORMS

The employer will provide appropriate uniforms, outer clothing and footwear required by OSHA to field workers (pants and shirts).

ARTICLE 19: SICK LEAVE

Sick leave may be used as earned upon appointment to City employment.

- A. Accrual. Sick leave will be accrued for all regular full-time employees at the rate of one (1) day per calendar month and may be accrued to a maximum of ninety (90) days.
- B. Use of Sick Leave. Sick leave may be used only in the event of personal illness, legal quarantine, disability or emergencies such as death or serious illness in an employee's immediate family. An employee must request sick leave from his or her immediate supervisor before the start of the employee's workday on each day-sick leave is used. An employee may be requested to file a physician's statement, signed by the physician and the employee, indicating the nature of his or her illness. An employee may use available sick leave to attend to his or her sick minor child for as long as is reasonably necessary. ~~Up to three (3) days of sick leave per year may be used to attend to any other member of the employee's immediate family who is ill.~~
- C. Use for Funerals. An employee may use up to three days of sick leave as funeral leave. Funeral leave must be taken on consecutive working days, one of which is the day of death or the day of the funeral. Any deviations from this policy will be at the City ~~Council's~~ Administrator's discretion.
- D. Upon separation of employment from the Employer, for any reason other than discharge for just cause, the employee or their designated beneficiary shall be paid one-half (1/2) of all unused accumulated sick leave, provided that the employee has ten (10) years of continuous service with the employer at the time of separation.

ARTICLE 20: LEAVE OF ABSENCE WITHOUT PAY

Upon request, a leave of absence without pay may be granted by the City Council for a period of up to ninety (90) days. No benefits will accrue or be paid out during a leave of absence without pay. Accrued vacation time may be paid out upon request of the employee. This is with the understanding that the vacation is paid out according to the regular pay schedule over regular pay periods, which is the same scenario used to pay for all vacation days earned by the employees. An employee may elect to

continue insurance benefits coverage during a leave of absence at the employee's expense. When special circumstances exist, the City Council may, upon request, extend a leave of absence.

ARTICLE 21: COURT DUTY

Any regular full-time or regular part-time employee who is required to serve as a juror or as a witness in court regarding City business shall be granted leave with pay while serving in such capacity. Upon completion of jury duty, the employee shall reimburse the City for the amount of jury duty pay, less the amount received for traveling expenses.

ARTICLE 22: MILITARY LEAVE

All employees subject to Minnesota Statute Section 192.26 or 192.261 or U.S.C.A., Title 38, Section 2021 are entitled to the benefits and conditions listed therein.

ARTICLE 23: ELECTION DAYS

Any employee who is entitled to vote in any statewide general election or at any election to fill a vacancy in the office of representative in Congress, may absent himself/herself from his/her work for the purpose of voting during such election day for a period not to exceed two (2) hours without deduction from salary on account of such absence, provided the employee has made prior arrangements for the absence with the EMPLOYER. Any employee making claim for time off for voting and not casting a ballot or utilizing the time off for unauthorized purposes shall be subject to disciplinary action.

ARTICLE 24: SCOPE OF AGREEMENT

- A. This AGREEMENT shall represent the complete agreement between the UNION and EMPLOYER. The parties acknowledge that during the negotiations which resulted in this AGREEMENT each had the unlimited right and opportunity to make requests and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the complete understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this AGREEMENT.
- B. Therefore, the EMPLOYER and the UNION, for the life of this AGREEMENT each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this AGREEMENT or with respect to any subject or matter not specifically referred

to or covered in this AGREEMENT, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this AGREEMENT.

ARTICLE 25: DURATION

- A. This contract shall become effective January 1, 20124 and shall continue in full force and effect up to and including December 31, 20135.
- B. Any and all prior agreements, resolutions, practices, policies, rules and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this contract, are hereby superseded.
- C. Either party desiring to terminate or modify this contract must notify the other party in writing at least thirty (30) days prior to December 31, 20113 for wages and conditions of employment for calendar year 20124 or beyond. A notice of desire to modify this contract shall set forth specifically all proposed modifications sought by the party and all clauses of this contract for which no modification is sought shall be renewed automatically.
- D. Negotiations with respect to proposed modifications may commence at any time after notice of proposed modifications has been given.

ARTICLE 26: SAVINGS CLAUSE

This AGREEMENT is subject to the laws of the United States, the State of Minnesota, and Ramsey County. In the event any provisions of this AGREEMENT shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions shall continue in full force and effect. Upon written request of either party, the parties shall meet and negotiate on a substitute provision for the voided provisions.

ARTICLE 27: DRUG AND ALCOHOL TESTING POLICY

The UNION agrees to the City's Alcohol and Drug Testing Policy as referenced in previous contract negotiations. See Appendix A

UNION

By: _____ Dated: _____

Christi Nelson, AFSCME Co. 5, Business Representative

By: _____ Dated: _____

David Hinrichs, Public Works Coordinator, City of Lauderdale

CITY OF LAUDERDALE

By: _____ Dated: _____

Jeff Dains, Mayor, City of Lauderdale

By: _____ Dated: _____

Heather Butkowski, City Administrator, City of Lauderdale

APPENDIX A

ALCOHOL AND DRUG TESTING POLICY

Purpose

The City is committed to the health, well being and safety of its employees and property. All employees have a responsibility to report to and be at work in a fir condition to perform. This policy has been established for the purpose of providing a safe work place for all, and to comply with the Drug Free Workplace Act.

Policy

The use, possession, distribution, manufacture or sale of alcohol or illegal drugs anywhere at work on City time, on City property, or in City vehicles is prohibited and considered a willful violation of City policy which can result in suspension or discharge. Drug and alcohol testing of both blood and urine may be conducted under the circumstance set forth below. The City will use Minnesota Rule 4740.1075 through 4740.1090 for minimum standards of alcohol and drug detection limits. Specifics:

1. Applicants. All acceptable candidates who have been offered employment for full and part time positions in areas where physicals are required, will be required to undergo a drug test as part of the placement procedure. This test will only be used to detect illegal drugs, or their metabolites. We will notify and applicant of test results and, subject to the provision of #7 below, will withdraw an employment offer from anyone who tests positive.
2. Employees may be required to undergo drug and alcohol testing at one of the nearest Medical Centers if there is reasonable cause for suspicion to believe that the employee is under the influence of drugs or alcohol and:
 - A. Has violated written work rules prohibiting the use, possession, sale or transfer of drugs or alcohol while working, while on City premise, or while operating City vehicles, machinery or equipment.
 - B. Has sustained a personal injury requiring medical care, or has caused another employee to sustain an injury requiring medical care.
 - C. Has caused a work related accident or was operating or helping to operate equipment, machinery or a vehicle involved in a work related accident.

Employees will be driven to one of the nearest medical centers by their supervisor or the City Administrator. The medical center

will take the urine or blood sample, and will forward the sample to the laboratories for testing.

3. An employee must notify his/her supervisor within 5 days of any arrest or conviction under any criminal drug statute. If an employee has been convicted under any drug statute, s/he will be requested to pursue the requirements in #4.
4. Any employee may be required to undergo drug or alcohol testing if that employee has been referred by the City for chemical dependency treatment or evaluation and has been found to be chemically dependent. The employee may be required to undergo testing, without proper notice, during the period of evaluation or treatment and for up to two years following completion of any prescribed chemical dependency treatment program.
5. Applicants and employees may refuse to submit drug/alcohol testing; however, a refusal to submit to required testing will be grounds for immediate suspension with intent to terminate. Offers of employment will be withdrawn from applicants and employee who refuses testing.
6. Before testing is conducted, employees or applicants must state on a written form if they have seen the City policy and note any over-the-counter and prescriptions medications they are taking to have recently taken plus any other relevant information. This form will be given to the clinic at the time of testing.
7. The City Administrator or designee will receive the results of the drug and alcohol tests. Results of testing will be reported in writing to the employee or applicant within three working days of receipt by the City. If the test results is positive, the City will inform the employee or applicant in writing of his/her right to:
 - A. Provide any additional information to the City within three working days upon receiving results of tests, that could explain the positive test result.
 - B. Receive a copy of the test result report.
 - C. Retest the original sample at their own expense provided they inform Administration within five working days after receiving notice of the positive test result.
8. A positive test result which has been confirmed indicating the presence of illegal drugs, alcohol, or non-prescribed drugs may result in termination, subject to the following:

- A. An employee who tests positive for the first time will be given the opportunity to participate in, at the employee's own expense or pursuant to coverage under the employee's benefit plan, a counseling or rehabilitation program after consultation with the City Administrator.
 - B. The employee may discharge for any of the following reasons:
 - 1. The employee tested positive on a previous occasion in a work related incident.
 - 2. The employee refuses to participate in a chemical dependency or rehabilitation program recommended by the City Administrator
 - 3. The employee fails to successfully complete chemical dependency counseling or a rehabilitation program.
9. If an employee is called out for a City emergency and is suspected of being under the influence of drugs or alcohol, s/he will not be subject to the testing procedures of this policy if s/he is suspected of being under the influence of drugs or alcohol. However, s/he will not be allowed to work, and will be sent home.
10. Results of test and other information acquired in the drug and alcohol testing process will be treated as private and confidential information. The employee tested and the City Administrator or designee will be told the result of the testing. If a positive result is confirmed, the City Administrator or council designee and the employee's supervisor will be notified. Results will be disclosed to no one outside of the City unless required by law or unless released of information is requested by the employee.