



City of Blue Earth

To: City Council

Date 2/21/17

Agenda Heading: City Administrator's Report

“Spring is when you feel like whistling even with a shoe full of slush.”

Doug Larson

- **City Street Funding Bill Introduced in House and Senate.** A bill that provides dedicated state funding for city streets—including funding that can be used for non-Municipal State Aid (MSA) city street maintenance, construction, and reconstruction—was introduced in the Minnesota House of Representatives on Feb. 9 and in the Senate on Feb. 12.
- HF 934, authored by Rep. Frank Hornstein (DFL-Minneapolis), and SF 933, authored by Sen. Scott Dibble (DFL-Minneapolis), would add a \$10 surcharge on license tab fees and on motor vehicle title transfers to be dedicated to city streets in large and small cities. The House measure was referred to the House Transportation and Regional Governance Committee, and the Senate companion was referred to the Senate Transportation Finance and Policy Committee. Neither bill has been scheduled for a hearing.
- The provision raises approximately \$57 million annually. Half of the funds would be directed to the Small Cities Assistance Account, established by the 2015 Legislature, and half would be dedicated to a new Larger City Streets and Bridges Account. The funds would not be subject to the constraints of the MSA funds dedicated in the Minnesota Constitution. Several other proposals are also in play in the state house.
- **Sewer Plant Final Preliminary Submittal.** We have finalized the design that will be submitted to the State. The MN Public Facilities Authority provides municipal financing programs and expertise to help communities build public infrastructure that preserves the environment, protects public health, and promotes economic growth.

Commonly known as the PFA, the authority administers and oversees the financial management of three revolving loan funds and other programs that help local units of government construct facilities for clean water (including wastewater, stormwater and drinking water) and other kinds of essential public infrastructure projects. We will most likely be utilizing the Clean Water Revolving Fund to help pay for this project. The project will be scored and based on the score that we receive the project will be allowed to be funded. Last year the preliminary score was near what we needed to be guaranteed funding. My expectation is that the bonding bill this year will have adequate funding so that we can move forward with this project in the fall of 2017 or spring of 2018.

- **3 sisters Update.** Dewey Kruger from Dewey Kruger Music Center Ltd. in Northwoods, IA is coming on Feb. 17th to review the pianos in the buildings. We hope that this will provide us with the necessary information to properly market these items. Thanks for John Huisman for connecting us with him. In addition, the Sheriff's sale is scheduled for Saturday April 22, 2017 starting at 10:00 AM. Last week the Blue Earth EDA selected Wagner Co. Auctioneers Inc to conduct the Auction, and we expect notices in area publications as well as online. The window replacement is almost complete and it is a huge upgrade, one of the next steps is to determine what is behind the old gray siding, and if it is necessary to replace it. Also, we were able to obtain some classic radiators to replace the ones that were taken out of the building. This would be a step towards getting needed heat back in the building.
- **Smoke testing.** Most of you are familiar with the high flows that the sewer plant experienced last year. It is a part of Jamie Holland's plan to identify an area, hopefully down to the adjacent storm catch basin or manhole, and then use our cameras to identify the cross connection. He feels that we will most likely identify a bunch of houses illegally connected and we'll note that but we're going after bigger fish on this one – we need to identify why we're getting a 2-3,000 gallon surge in less than 45 minutes at the WWTP with a 1.5"+ rainfall. It will be funded out of the sewer fund. We will be seeking several quotes for this important work.
- **SRE Project.** The airport snow removal equipment building bidding will be reviewed in March. This bidding does not lock the City Council into the project. As was the case last year, if the bid is too high it should be rejected. With that being said, I expect the bids to be much better this year, based on the timeliness of the bidding and the efforts we have made to contact local contractors. Hopefully this project can proceed. It will mark the end on the current project load for the airport and we would expect the airport to pay off its debts over the next 3 years.
- **Housing Project.** As requested, a revised copy of the new housing development is in your packet and I expect Mr. Brown will be able to answer any questions regarding it. The affordability of a 2 phase project is much better than doing it all at once. I met with Mr. Stoner from BE Light&Water last week and he indicated that the utility had a certain amount of flexibility in the project scope and a willingness to continue our close collaboration. We appreciate this close relationship and will coordinate as necessary to enact the program that the Council approves.
- **Green Giant Museum Project.** Things are moving forward legislatively, Rep. Gunther has authored HF 506 which would provide \$300,000 for the project. It will be heard in 2 committees, the Job Growth and Energy Affordability Policy and Finance committee and the Legacy Funds committee. The City would receive and administer the funds in conjunction with our funding partners. This would allow the project to proceed on schedule in the fall of 2017 with completion in 2018.
- **LMC Legislative Conference.** Included in the packet is information regarding the upcoming LMC conference that I anticipate attending. The schedule includes a significant amount of information and I will plan on meeting with our local Rep and Senator. Please contact me with questions or if you are interested in the proceedings.

Meetings and Events Attended

Feb. 7 Kiwanis
Feb. 8 FCDC
 BIC
 City Attorney
 City Engineer
 AgCenter Space Review-Deibel Labs
Feb. 9 BE EDA
 Sewer Plant Review Meeting
Feb. 11 Friends of the Library Tea
Feb. 13 BE HRA
Feb. 14 Kiwanis
 Senior Center Board
 Eagles Club
Feb. 15 FCDC
 City Attorney
 Tim Stoner – BE Light & Water
Feb. 16 Fitness Center Board
Feb. 17 Midwest IT update
 3sisters space and inventory – Dewey Kruger
 Senior Center Potluck
 Paul Osterholt – 3 sisters
Feb. 21 BE Kiwanis
 Worksession
 Regular Council