



**CITY OF CLOQUET  
City Council Agenda  
Tuesday, November 20, 2018  
7:00 p.m.  
City Hall Council Chambers**

**CITY COUNCIL WORK SESSION – 5:30 p.m.**

- 2019 Final Budget and CIP Review
- Public Safety Building Transfer to CAFD
- CAFD 2019 Budget/Levy Update

1. **Roll Call**

2. **Pledge of Allegiance**

3. **Approval of Agenda**

- a. Approval of November 20, 2018 Council Agenda

4. **Approval of Council Minutes**

- a. Work Session Minutes from the November 8, 2018 meeting  
b. Regular Council Minutes from the November 8, 2018 meeting

5. **Consent Agenda**

*Items in the Consent Agenda are considered routine and will be approved with one motion without discussion/debate. The Mayor will ask if any Council members wish to remove an item. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.*

- a. Resolution No. 18-80, Authorizing the Payment of Bills  
b. Resolution No. 18-79, Setting a Public Hearing Date on Proposed 2019 Pine Tree Plaza Frontage Road Improvements  
c. Resolution No. 18-82, Entering into an Agreement with Carlton County for Washington Avenue Improvements  
d. Ordinance No. 475A, An Ordinance to Amend Chapter 17 of the Municipal Code Pertaining to the Highway 33 Design Standards, Irrigation Requirements and Parking in the Historic Commercial District  
e. 2019 Public Works Position Appointments

6. **Public Hearings**

None.



**CITY OF CLOQUET**  
**City Council Agenda**  
**Tuesday, November 20, 2018**  
**7:00 p.m.**  
**City Hall Council Chambers**

7. **Presentations**

None.

8. **Council Business**

- a. Resolution No. 18-78, Resolution Ordering the Removal of a Public Nuisance and Hazardous Building Located at 316 20<sup>th</sup> Street
- b. Resolution No. 18-81, Adopting and Confirming Special Assessments for Delinquent Utilities and Miscellaneous Bills

9. **Public Comments**

*Please give your name, address, and your concern or comments. Visitors may share their concerns with the City Council on any issue, which is not already on the agenda. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual's presentation if it becomes redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the Council. No action will be taken at this time.*

10. **Council Comments, Announcements, and Updates**

12. **Adjournment**



**ADMINISTRATIVE OFFICES**

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**REQUEST FOR COUNCIL ACTION**

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To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: November 20, 2018

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**ITEM DESCRIPTION:** 2019 Final Budget and CIP Review

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**Proposed Action**

Review the proposed 2019 budget and CIP.

**Background/Overview**

The updated final budget summary is attached. Staff is proposing a 1.5% levy decrease.

**Supporting Documentation Attached**

- 2019 Budget Summary
- 2019 – 2023 CIP Summary

**City of Cloquet  
Tax Levy Summary  
2016 Actual Through 2022 Planning**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Proposed 2019</u>	<u>Planning 2020</u>	<u>Planning 2021</u>	<u>Planning 2022</u>
General	\$ 1,830,000	\$ 2,105,000	\$ 2,042,000	\$ 2,231,500	\$ 2,495,000	\$ 2,465,000	\$ 2,630,000
Library	400,000	400,000	390,000	400,000	400,000	400,000	400,000
GO Swimming Pond Debt	115,000	115,000	105,000	110,000	110,000	110,000	110,000
GO Facilities Debt-Library	-	-	-	-	-	-	-
GO Facilities Debt-PW	-	-	-	-	-	210,000	210,000
GO Improvement Bonds - PI	-	-	-	-	-	91,700	199,150
Permanent Improvement	260,000	250,000	350,000	-	-	-	-
Public Works Reserve	175,000	100,000	150,000	250,000	225,000	350,000	185,000
Sewer Utility*	30,000	-	-	-	-	-	-
<b>Tax Levy</b>	<b>\$ 2,810,000</b>	<b>\$ 2,970,000</b>	<b>\$ 3,037,000</b>	<b>\$ 2,991,500</b>	<b>\$ 3,230,000</b>	<b>\$ 3,626,700</b>	<b>\$ 3,734,150</b>
Levy Change (+/-)	2.97%	5.69%	2.26%	-1.50%	7.97%	12.28%	2.96%
		Health Insurance & Library Reserves			Parks Dir. Park C/O Comp Plan Update	PW Garage & PI Bonds	

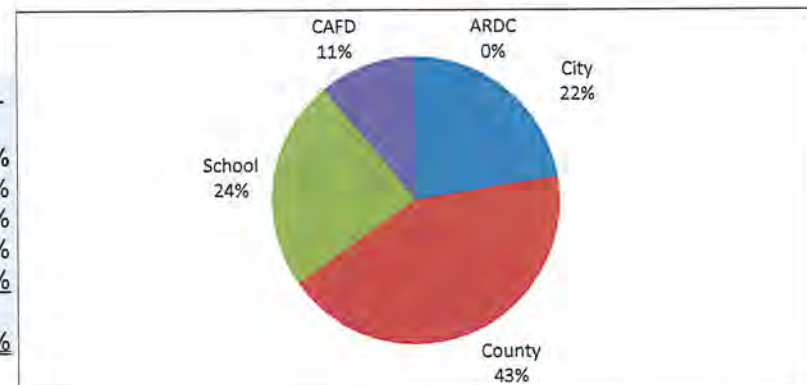
**Note**

Park, Senior Center, and Community Development were moved to General Fund in 2019.  
\* - District Wide Allocation is not a sewer charge. Moved to General Fund starting in 2017.

**2018 Property Taxes**

**Property Tax Rates**

	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>City of Cloquet</b>	<b>40.313%</b>	<b>41.678%</b>	<b>41.386%</b>
Carlton County	78.416%	79.431%	80.610%
Cloquet School District	48.792%	44.659%	45.438%
Cloquet Area Fire District	20.113%	20.131%	20.510%
ARDC	0.174%	0.176%	0.176%
<b>Total Direct and Overlapping</b>	<b>187.808%</b>	<b>186.075%</b>	<b>188.120%</b>



**City of Cloquet**  
**Summary Comparison of All Funds Expenditures & Financing Uses**  
**2016 Actual Through 2022 Planning**

FUND		2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 PROPOSED	2020 PLANNING	2021 PLANNING	2022 PLANNING	('19 to '18 BUDGFT)		
Description	No								Dollars	%	
<b>General</b>											
Total General Fund		101	6,147,537	6,070,898	6,337,650	8,633,800	7,519,255	7,578,400	7,833,100	2,296,150	36.23%
<b>Special Revenue Funds</b>											
LDO Loan (EDA)	201	-	918	2,200	2,200	2,200	2,200	2,200	2,200	-	-
Federal CDBG Loan (EDA)	202	-	36,725	3,500	7,500	7,500	7,500	7,500	7,500	4,000	114.29%
Economic Development Loan (City)	203	14,468	31,273	1,350	3,500	3,500	3,500	3,500	3,500	2,150	159.26%
State SCDG/MIF (EDA)	204	-	-	-	-	-	-	-	-	-	-
Revolving SCGP (EDA)	206	-	-	-	20,000	10,000	10,000	10,000	10,000	20,000	100.00%
Small Cities Development	208	62,709	478,757	10,700	-	-	-	-	-	(10,700)	-100.00%
Library	211	535,113	572,122	591,850	663,807	649,700	678,800	709,650	709,650	71,957	12.16%
Tax Increment - Daqota	220	21,760	16,645	30,000	28,600	25,000	25,000	25,000	25,000	(1,400)	-4.67%
Tax Increment - 14th St Apartments	221	21,467	20,504	30,000	29,350	25,000	25,000	25,000	25,000	(650)	-2.17%
Tax Increment - Oakwood Estates	222	47,739	47,786	55,000	93,400	50,000	50,000	50,000	50,000	38,400	69.82%
Tax Increment - Patio Homes	223	-	-	-	30,250	55,000	55,000	55,000	55,000	30,250	100.00%
Landfill Host Fee	260	-	21,014	-	-	5,000	-	-	-	-	-
Cable Television	614	144,410	142,406	164,925	100,350	102,600	105,650	107,175	107,175	(64,575)	-39.15%
<b>Total Special Revenue</b>			<b>847,666</b>	<b>1,368,150</b>	<b>889,525</b>	<b>978,957</b>	<b>935,500</b>	<b>962,650</b>	<b>995,025</b>	<b>89,432</b>	<b>10.05%</b>
<b>Debt Service Funds</b>											
Business Park Bonds	368	246,948	243,115	243,600	971,610	-	-	-	-	728,010	298.85%
Swimming Pond Bonds	370	148,420	106,898	1,193,300	99,700	103,900	102,900	101,800	101,800	(1,093,600)	-91.65%
City Sales Tax Bonds	372	-	-	659,350	547,750	547,850	542,750	547,300	547,300	(111,600)	100.00%
Facilities Bonds	374	-	-	-	-	-	377,750	201,350	201,350	-	-
Improvement Bonds	376	-	-	-	-	-	59,100	153,500	153,500	-	-
<b>Total Debt Service</b>			<b>395,368</b>	<b>350,013</b>	<b>2,096,250</b>	<b>1,619,060</b>	<b>651,750</b>	<b>1,023,400</b>	<b>850,450</b>	<b>(477,190)</b>	<b>-22.76%</b>
<b>Capital Project Funds</b>											
Permanent Improvement	225	406,671	673,261	1,460,500	400,500	1,355,500	1,433,000	1,443,000	1,443,000	(1,060,000)	-72.58%
Public Facilities Planning	224	-	131,686	20,000	1,800,000	-	-	-	-	1,780,000	-100.00%
Public Works Reserve	231	247,675	396,810	381,500	530,000	355,000	518,000	267,000	267,000	148,500	38.93%
Revolving Capital Projects	403	3,478,483	31,014	1,470,000	4,000,000	3,870,000	837,500	1,837,500	1,837,500	2,530,000	172.11%
City Sales Tax Projects	405	1,729,545	3,324,278	3,809,350	2,427,750	3,714,850	557,750	2,047,300	2,047,300	(1,381,600)	-36.27%
<b>Total Capital Project Funds</b>			<b>5,862,374</b>	<b>4,557,049</b>	<b>7,141,350</b>	<b>9,158,250</b>	<b>9,295,350</b>	<b>3,346,250</b>	<b>5,594,800</b>	<b>2,016,900</b>	<b>28.24%</b>
<b>Total Governmental Funds</b>			<b>13,252,945</b>	<b>12,346,110</b>	<b>16,464,775</b>	<b>20,390,067</b>	<b>18,401,855</b>	<b>12,910,700</b>	<b>15,273,375</b>	<b>3,925,292</b>	<b>23.84%</b>
<b>Internal Service</b>											
Employee Severance Benefits	701	61,064	66,036	30,000	30,000	5,000	30,000	5,000	5,000	-	-
<b>Total Internal Service</b>			<b>61,064</b>	<b>66,036</b>	<b>30,000</b>	<b>30,000</b>	<b>5,000</b>	<b>30,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
<b>Enterprise Funds</b>											
Water - Lake Superior Waterline	600	2,583,925	2,520,726	4,149,100	2,622,100	12,616,000	3,392,250	3,420,650	3,420,650	(1,527,000)	-36.80%
Water - In Town System	601	1,296,735	1,477,578	7,366,200	1,713,100	5,230,100	2,568,150	3,128,000	3,128,000	(5,653,100)	-76.74%
Sewer Utility	602	1,623,884	1,726,153	1,913,450	1,756,075	5,026,700	2,267,400	2,267,900	2,267,900	(157,375)	-8.22%
Stormwater Utility	605	250,417	274,785	382,050	268,800	2,826,800	564,600	1,187,500	1,187,500	(113,250)	-29.64%
<b>Total Enterprise Funds</b>			<b>5,754,961</b>	<b>5,999,242</b>	<b>13,810,800</b>	<b>6,360,075</b>	<b>25,699,600</b>	<b>8,792,400</b>	<b>10,004,050</b>	<b>(7,450,725)</b>	<b>-53.95%</b>
<b>Total Proprietary Funds</b>			<b>5,816,025</b>	<b>6,065,278</b>	<b>13,840,800</b>	<b>6,390,075</b>	<b>25,704,600</b>	<b>8,822,400</b>	<b>10,009,050</b>	<b>(7,450,725)</b>	<b>-53.83%</b>
<b>GRAND TOTAL ALL FUNDS</b>			<b>19,068,970</b>	<b>18,411,388</b>	<b>30,305,575</b>	<b>26,780,142</b>	<b>44,106,455</b>	<b>21,733,100</b>	<b>25,282,425</b>	<b>(3,525,433)</b>	<b>-11.63%</b>

**City of Cloquet**  
**Summary Comparison of All Funds Revenues & Financing Sources**  
**2016 Actual through 2022 Planning**

FUND		2016 ACTUAL	2017 ACTUAL	2018 BUDGET	2019 PROPOSED	2020 PLANNING	2021 PLANNING	2022 PLANNING	('19 to '18 BUDGET)		
Description	No								Dollars	Percent	
<b>General</b>											
Total General Fund		101	5,675,519	6,060,746	6,347,350	7,264,600	7,521,550	7,580,650	7,834,750	917,250	14.45%
<b>Special Revenue Funds</b>											
LDO Loan (EDA)	201	16,408	22,315	61,200	49,200	49,200	49,200	49,200	49,200	(12,000)	-19.61%
Federal CDBG Loan (EDA)	202	4,600	9,400	10,000	10,000	10,000	10,000	10,000	10,000	-	-
Economic Development Loan (City)	203	17,416	3,416	4,350	19,600	19,600	19,600	19,600	19,600	15,250	350.57%
State SCDG/MIF (EDA)	204	700	1,400	1,000	-	-	-	-	-	(1,000)	-100.00%
Revolving SCGP (EDA)	206	2,398	14,389	10,700	9,200	9,200	9,200	9,200	9,200	(1,500)	-
Small Cities Development (City)	208	62,709	478,757	10,700	-	-	-	-	-	(10,700)	-100.00%
Library	211	539,032	626,376	592,000	640,457	602,000	602,000	602,000	602,000	48,457	8.19%
Tax Increment - Daqota	220	18,331	18,332	30,000	25,000	25,000	25,000	25,000	25,000	(5,000)	-16.67%
Tax Increment - 14th St Apartments	221	22,631	22,607	30,000	25,000	25,000	25,000	25,000	25,000	(5,000)	-16.67%
Tax Increment - Oakwood Estates	222	52,933	52,932	55,000	50,000	50,000	50,000	50,000	50,000	(5,000)	-9.09%
Tax Increment - Patio Homes	223	-	-	-	55,000	55,000	55,000	55,000	55,000	55,000	100.00%
Landfill Host Fee	260	42,868	120,238	64,000	65,000	65,000	65,000	65,000	65,000	1,000	1.56%
Cable Television	614	108,191	101,672	125,450	103,200	103,450	103,450	103,450	103,450	(22,250)	-17.74%
Total Special Revenue			888,217	1,471,834	994,400	1,051,657	1,013,450	1,013,450	1,013,450	57,257	5.76%
<b>Debt Service Funds</b>											
Business Park Bonds	368	15,929	27,913	10,900	10,900	-	-	-	-	-	-
Swimming Pond Bonds	370	1,210,156	126,627	105,000	110,000	110,000	110,000	110,000	110,000	5,000	4.76%
City Sales Tax Bonds	372	-	-	659,350	547,750	547,850	542,750	547,300	547,300	(111,600)	-
Facilities Bonds	374	-	-	-	-	324,950	210,000	210,000	210,000	-	100.00%
Improvement Bonds	376	-	-	-	-	37,720	131,560	260,550	260,550	-	-
Total Debt Service			1,226,085	154,540	775,250	668,650	1,020,520	994,310	1,127,850	(106,600)	-13.75%
<b>Capital Project Funds</b>											
Permanent Improvement	225	385,923	379,995	1,135,000	510,000	1,300,000	1,455,000	2,160,000	2,160,000	(625,000)	-55.07%
Public Facilities Planning	224	504,000	-	-	-	-	-	-	-	-	-
Public Works Reserve	231	242,354	313,203	275,000	280,000	355,000	518,500	275,000	275,000	5,000	1.82%
Revolving Capital Projects	403	3,478,483	31,014	1,470,000	4,000,000	3,870,000	837,500	1,837,500	1,837,500	2,530,000	100.00%
City Sales Tax Projects	405	921,240	9,510,311	815,000	915,000	915,000	915,000	915,000	915,000	100,000	12.27%
Total Capital Project Funds			5,532,000	10,234,523	3,695,000	5,705,000	6,440,000	3,726,000	5,187,500	2,010,000	54.40%
<b>Total Governmental Funds</b>			13,321,821	17,921,643	11,812,000	14,689,907	15,995,520	13,314,410	15,163,550	2,877,907	24.36%
<b>Internal Service Fund</b>											
Employee Severance Benefits	701	24,965	41,744	55,000	10,000	10,000	10,000	60,000	60,000	(45,000)	-81.82%
Total Internal Service			24,965	41,744	55,000	10,000	10,000	10,000	60,000	(45,000)	-81.82%
<b>Enterprise Funds</b>											
Water Lake Superior Waterline	600	2,687,682	2,895,675	4,510,000	2,900,000	13,100,000	3,500,000	3,500,000	3,500,000	(1,610,000)	-35.70%
Water In-Town	601	1,157,458	1,220,672	6,772,500	1,515,700	4,183,000	1,817,350	1,970,500	1,970,500	(5,256,800)	-77.62%
Sewer Utility	602	1,588,944	1,614,406	1,549,000	1,721,250	4,355,975	1,950,800	2,084,200	2,084,200	172,250	11.12%
Stormwater Utility	605	331,360	332,882	332,000	332,000	2,832,000	332,000	332,000	332,000	-	-
Total Enterprise Funds			5,765,444	6,063,635	13,163,500	6,468,950	24,470,975	7,600,150	7,886,700	(6,694,550)	-50.86%
<b>Total Proprietary Funds</b>			5,790,409	6,105,379	13,218,500	6,478,950	24,480,975	7,610,150	7,946,700	(6,739,550)	-50.99%
<b>GRAND TOTAL ALL FUNDS</b>			19,112,230	24,027,022	25,030,500	21,168,857	40,476,495	20,924,560	23,110,250	(3,861,643)	-15.43%

City of Cloquet  
All Funds Revenues & Expenditures/Expenses Summary  
2019 Budget

Revenues by Source for 2019

FUND		Property Taxes	Other Taxes	Intergovt	Charges	All Others*	Transfers	Revenues
Description	No							
Total General Fund		2,231,500	55,000	2,980,000	412,000	517,300	1,068,800	7,264,600
<b>Special Revenue Funds</b>								
LDO Loan (EDA)	201	-	-	-	-	49,200	-	49,200
Federal CDBG Loan (EDA)	202	-	-	-	-	10,000	-	10,000
Economic Development Loan (City)	203	-	-	-	-	19,600	-	19,600
State MIF (EDA)	204	-	-	-	-	-	-	-
Revolving SCDP (EDA)	206	-	-	-	-	9,200	-	9,200
Library	211	400,000	-	-	20,500	6,500	175,000	602,000
Tax Increment - Daqota	220	-	25,000	-	-	-	-	25,000
Tax Increment - 14th Street Apart.	221	-	25,000	-	-	-	-	25,000
Tax Increment - Oakwood Estates	222	-	50,000	-	-	-	-	50,000
Tax Increment - Patio Homes	223	-	55,000	-	-	-	-	55,000
Landfill Host Fee	260	-	-	-	-	65,000	-	65,000
Cable Television	614	-	103,000	-	-	200	-	103,200
<b>Total Special Revenue</b>		<b>400,000</b>	<b>258,000</b>	<b>-</b>	<b>20,500</b>	<b>159,700</b>	<b>175,000</b>	<b>1,013,200</b>
<b>Debt Service Funds</b>								
Business Park Bonds	368	-	-	-	-	10,900	-	10,900
Swimming Pond Bonds	370	110,000	-	-	-	-	-	110,000
City Sales Tax Bonds	372	-	-	-	-	-	547,750	547,750
Police Facility Bonds	374	-	-	-	-	-	-	-
<b>Total Debt Service</b>		<b>110,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,900</b>	<b>547,750</b>	<b>668,650</b>
<b>Capital Project Funds</b>								
Permanent Improvement	225	-	-	400,000	-	110,000	-	510,000
Facilities Planning	224	-	-	-	-	-	-	-
Public Works Reserve	231	250,000	-	-	-	30,000	-	280,000
Revolving Capital Projects	403	-	-	-	-	750,000	3,250,000	4,000,000
City Sales Tax Projects	405	-	915,000	-	-	-	-	915,000
<b>Total Capital Project Funds</b>		<b>250,000</b>	<b>915,000</b>	<b>400,000</b>	<b>-</b>	<b>890,000</b>	<b>3,250,000</b>	<b>5,705,000</b>
<b>Total Governmental Funds</b>		<b>2,991,500</b>	<b>1,228,000</b>	<b>3,380,000</b>	<b>432,500</b>	<b>1,577,900</b>	<b>5,041,550</b>	<b>14,651,450</b>
<b>Internal Service</b>								
Employee Severance Benefits	701	-	-	-	-	10,000	-	10,000
<b>Enterprise Funds</b>								
Water - Lake Superior Waterline	600	-	-	-	2,900,000	-	-	2,900,000
Water - In Town System	601	-	-	-	1,405,700	110,000	-	1,515,700
Sewer Utility	602	-	-	-	1,676,250	45,000	-	1,721,250
Stormwater Utility	605	-	-	-	330,000	2,000	-	332,000
<b>Total Enterprise Funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>6,311,950</b>	<b>157,000</b>	<b>-</b>	<b>6,468,950</b>
<b>Total Proprietary Funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>6,311,950</b>	<b>167,000</b>	<b>-</b>	<b>6,478,950</b>
<b>GRAND TOTAL ALL FUNDS</b>		<b>2,991,500</b>	<b>1,228,000</b>	<b>3,380,000</b>	<b>6,744,450</b>	<b>1,744,900</b>	<b>5,041,550</b>	<b>21,130,400</b>

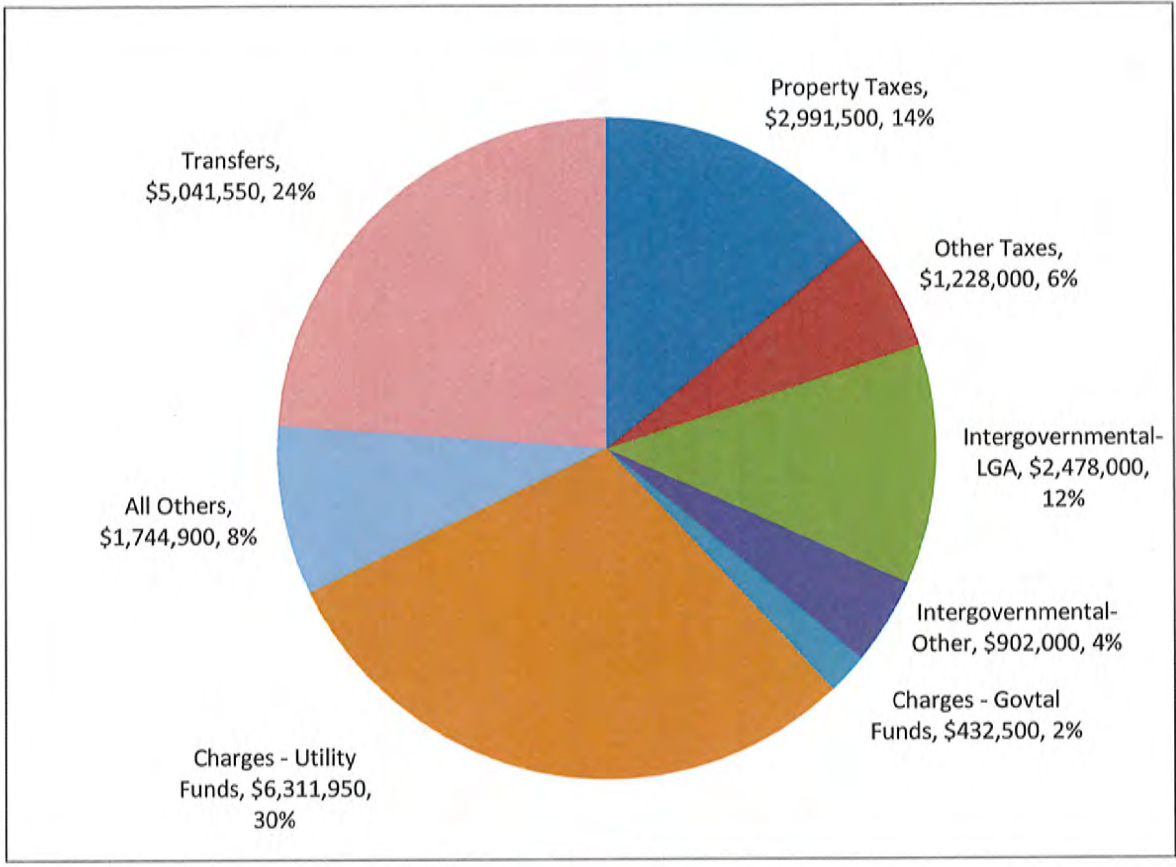
Expenditures/Expenses by Function for 2019

Personal Services	Supplies	Other Services	Debt	Capital	Transfers	Expenditure/Expenses
5,048,900	420,400	1,473,500	-	66,000	1,625,000	8,633,800
-	-	2,200	-	-	-	2,200
-	-	7,500	-	-	-	7,500
-	-	3,500	-	-	-	3,500
-	-	-	-	-	-	-
-	-	20,000	-	-	-	20,000
495,050	54,800	75,700	-	-	-	625,350
-	-	22,500	-	-	6,100	28,600
-	-	22,500	-	-	6,850	29,350
-	-	45,000	-	-	48,400	93,400
-	-	24,750	-	-	5,500	30,250
-	-	-	-	-	-	-
53,400	2,500	13,250	-	2,500	28,700	100,350
<b>548,450</b>	<b>57,100</b>	<b>236,900</b>	<b>-</b>	<b>2,500</b>	<b>95,550</b>	<b>940,500</b>
-	-	-	913,360	-	58,250	971,610
-	-	-	99,700	-	-	99,700
-	-	-	547,750	-	-	547,750
-	-	-	-	-	-	-
-	-	-	<b>1,560,810</b>	<b>-</b>	<b>58,250</b>	<b>1,619,060</b>
-	-	-	-	400,500	-	400,500
-	-	-	-	-	1,800,000	1,800,000
-	-	-	-	530,000	-	530,000
-	-	-	-	4,000,000	-	4,000,000
-	-	-	-	1,880,000	547,750	2,427,750
-	-	-	-	<b>6,810,500</b>	<b>2,347,750</b>	<b>9,158,250</b>
<b>5,597,350</b>	<b>477,500</b>	<b>1,710,400</b>	<b>1,560,810</b>	<b>6,879,000</b>	<b>4,126,550</b>	<b>20,351,610</b>
<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>
640,700	44,150	1,694,550	-	107,700	135,000	2,622,100
419,550	86,200	302,700	394,650	150,000	360,000	1,713,100
359,625	29,050	1,062,400	-	85,000	220,000	1,756,075
-	-	68,800	-	-	200,000	268,800
<b>1,419,875</b>	<b>159,400</b>	<b>3,128,450</b>	<b>394,650</b>	<b>342,700</b>	<b>915,000</b>	<b>6,360,075</b>
<b>1,449,875</b>	<b>159,400</b>	<b>3,128,450</b>	<b>394,650</b>	<b>342,700</b>	<b>915,000</b>	<b>6,390,075</b>
<b>7,047,225</b>	<b>636,900</b>	<b>4,838,850</b>	<b>1,955,460</b>	<b>7,221,700</b>	<b>5,041,550</b>	<b>26,741,685</b>

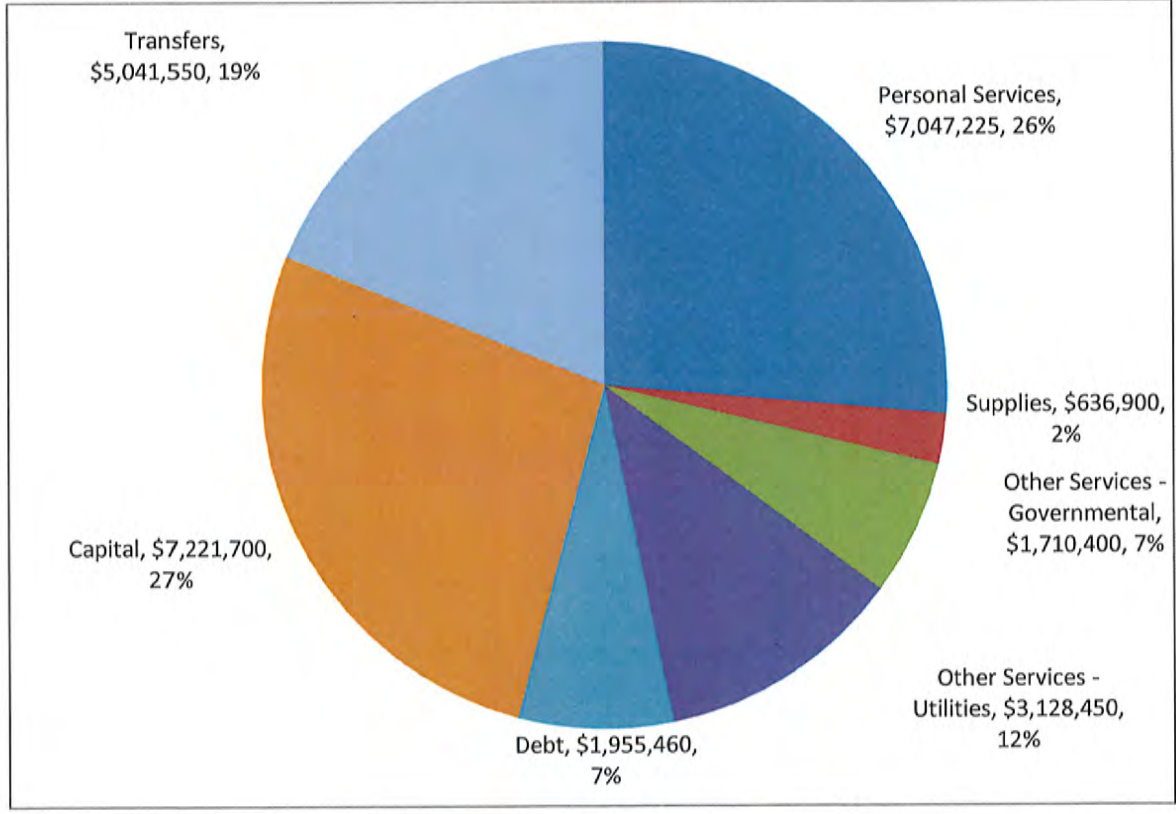
\* - License and Permits, Fines & Forfeitures, Special Assessments, and Miscellaneous.

# City of Cloquet 2019 Budget - All Funds

## Revenues



## Expenditures/Expenses





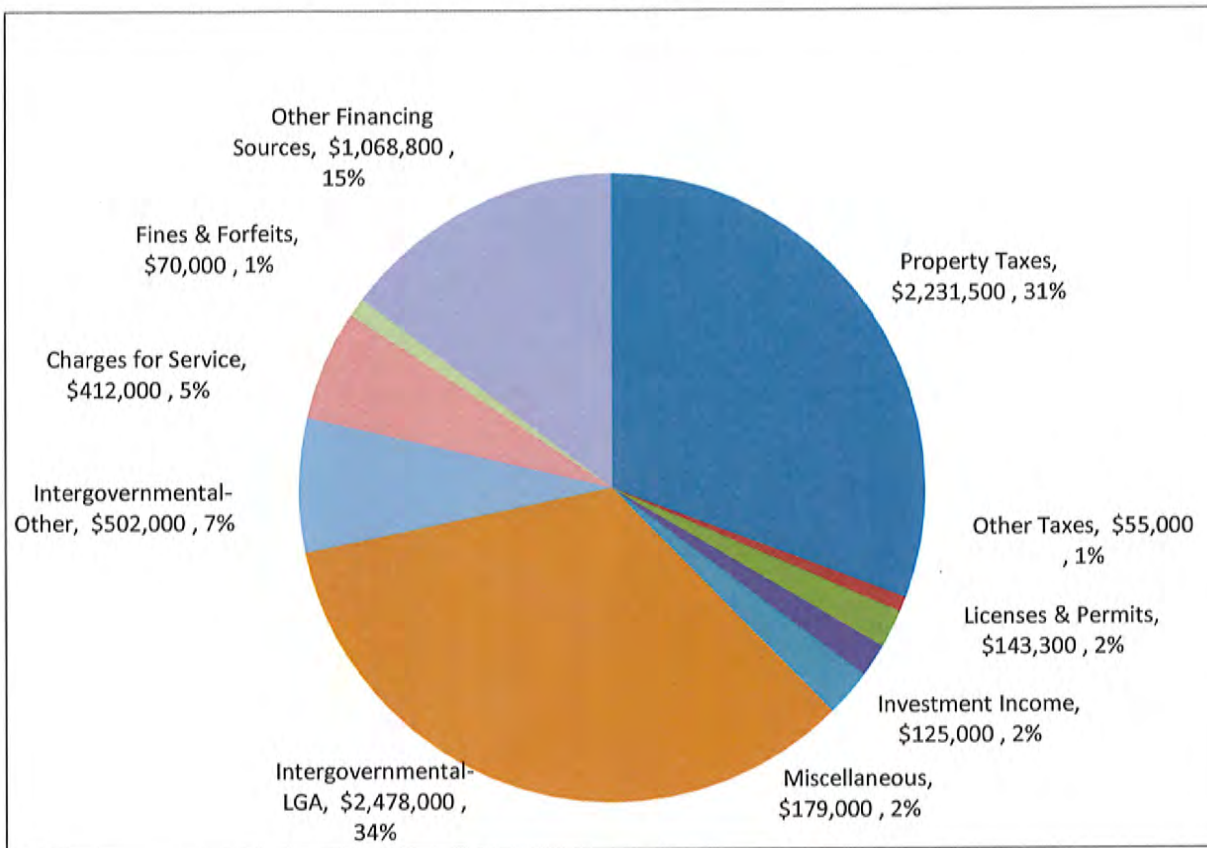
**City of Cloquet**  
**Summary Comparison of General Fund Expenditures & Financing Uses, Revenues & Financing Sources**  
**2016 Actual through 2022 Planning**

Descriptions	2016 ACTUAL	2017 BUDGET	2018 BUDGET	2019 PROPOSED	2020 PLANNING	2021 PLANNING	2022 PLANNING	CHANGE (*19 to *18 BUDGET)	
								Dollars	Percent
<b>Expenditures &amp; Financing Uses:</b>									
Council & Mayor	\$ 105,140	\$ 84,624	\$ 86,050	\$ 137,850	\$ 141,650	\$ 158,150	\$ 141,650	\$ 51,800	60.20%
Elections	16,395	-	17,250	500	20,700	-	20,700	(16,750)	-97.10%
Administration	260,170	140,780	209,575	314,350	318,855	327,750	336,400	104,775	49.99%
Human Resources	-	57,442	93,800	152,650	156,950	158,600	166,800	58,850	62.74%
Finance	177,645	179,652	208,400	236,350	242,550	244,250	251,900	27,950	13.41%
Prosecution	120,243	131,743	110,000	125,000	125,000	125,000	125,000	15,000	13.64%
Managed Information Technology	-	44,707	47,000	58,000	58,000	60,000	60,000	11,000	23.40%
Building & Planning Services	198,109	224,671	294,550	237,450	313,850	246,300	257,200	(57,100)	-19.39%
General Government Bldgs	120,040	96,062	111,550	113,500	116,500	119,150	121,650	1,950	1.75%
WLSSD District Wide Allocation	-	27,947	30,000	26,000	26,000	26,000	26,000	(4,000)	-13.33%
Public Safety Building	31,640	26,842	30,500	24,500	24,500	24,500	24,500	(6,000)	-19.67%
Police & Other Public Safety	2,507,199	2,777,341	2,824,900	3,069,900	3,116,900	3,246,450	3,349,050	245,000	8.67%
Highways, Streets, & Roadways	984,330	1,036,477	1,004,100	1,546,300	1,594,150	1,630,150	1,673,450	542,200	54.00%
Snow Removal	76,638	62,830	72,000	72,000	72,000	72,000	72,000	-	-
Street Lighting	136,682	137,176	157,500	142,500	142,500	142,500	142,500	(15,000)	-9.52%
Weed Control	8,759	15,506	20,000	15,000	15,000	15,000	15,000	(5,000)	-25.00%
Parks	560,288	562,102	572,725	523,350	636,600	570,650	583,150	(49,375)	-8.62%
Senior Center	15,532	10,805	11,700	11,700	11,700	11,700	11,700	-	-
Community Development	168,107	194,194	170,300	140,650	149,600	149,000	153,200	(29,650)	-17.41%
Events Coordination	7,317	8,214	8,500	9,000	9,000	9,000	9,000	500	5.88%
Lodging Tax Distribution	48,303	51,783	52,250	52,250	52,250	52,250	52,250	-	-
Other Financing Uses	605,000	200,000	205,000	1,625,000	175,000	190,000	240,000	1,420,000	692.68%
<b>Total</b>	<b>\$ 6,147,537</b>	<b>\$ 6,070,898</b>	<b>\$ 6,337,650</b>	<b>\$ 8,633,800</b>	<b>\$ 7,519,255</b>	<b>\$ 7,578,400</b>	<b>\$ 7,833,100</b>	<b>\$ 2,296,150</b>	<b>36.23%</b>
<b>Revenues &amp; Financing Sources:</b>									
Taxes	\$ 1,892,201	\$ 2,165,921	\$ 2,097,000	\$ 2,286,500	\$ 2,550,000	\$ 2,520,000	\$ 2,685,000	\$ 189,500	9.04%
Licenses & Permits	127,211	140,621	211,600	143,300	143,800	144,300	144,300	\$ (68,300)	-32.28%
Intergovernmental	2,787,249	2,814,239	2,935,900	2,980,000	3,000,900	3,025,900	3,050,900	\$ 44,100	1.50%
Charges for Service	342,874	370,812	437,850	412,000	429,250	435,750	441,750	\$ (25,850)	-5.90%
Fines & Forfeits	57,323	70,795	70,000	70,000	70,000	70,000	70,000	\$ -	-
Investment Income	34,772	64,486	155,000	125,000	150,000	175,000	200,000	\$ (30,000)	-19.35%
Miscellaneous	203,889	193,872	190,000	179,000	187,100	187,200	187,300	\$ (11,000)	-5.79%
Other Financing Sources	230,000	240,000	250,000	1,068,800	990,500	1,022,500	1,055,500	\$ 818,800	327.52%
<b>Total</b>	<b>\$ 5,675,519</b>	<b>\$ 6,060,746</b>	<b>\$ 6,347,350</b>	<b>\$ 7,264,600</b>	<b>\$ 7,521,550</b>	<b>\$ 7,580,650</b>	<b>\$ 7,834,750</b>	<b>\$ 917,250</b>	<b>14.45%</b>
<b>NET CHANGE</b>	<b>\$ (472,018)</b>	<b>\$ (10,152)</b>	<b>\$ 9,700</b>	<b>\$ (1,369,200)</b>	<b>\$ 2,295</b>	<b>\$ 2,250</b>	<b>\$ 1,650</b>	<b>\$ (1,378,900)</b>	

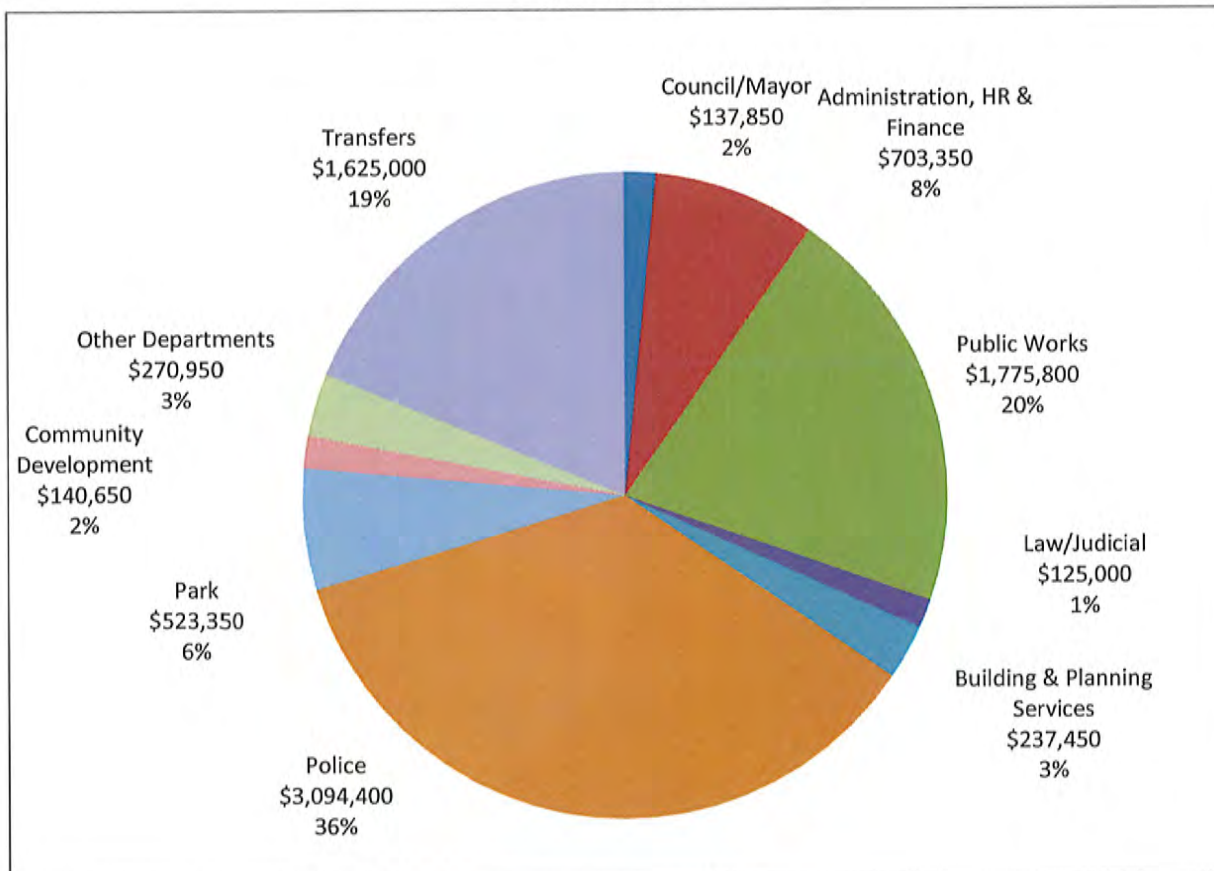
MCCU  
Building Trans Remodeling

# City of Cloquet 2019 General Fund Budget

## Revenues



## Expenditures



City of Cloquet, Minnesota

Capital Plan

2019 thru 2023

PROJECTS BY YEAR

Project Name	Department	Project #	Priority	Project Cost
<b>2019</b>				
Cable TV Equipment Replacement	Administration	A-004	3	2,500
City Hall/Police Department	Administration	A-016	1	4,000,000
Engineering Survey Equipment	Engineering	EE-004	3	35,000
Squad Car Replacement	Police	PD-002	2	95,000
Replacement of 2000 Grader	Street	SE-203	2	350,000
Replacement of 2007 GMC K2500 Pick-up Truck	Street	SE-231	2	25,000
Replace 1997 Chevrolet K1500 Pick-up Truck	Street	SE-233	2	25,000
Miscellaneous Street Repair and Overlays	Street	STP-010	1	400,000
Pine Tree Plaza Frontage Road	Street	STP-032	1	580,000
North Water Loop	Street & Utilities	STUP-015	3	1,300,000
Washington Avenue Utilities	Street & Utilities	STUP-019	2	210,000
Replacement of 2012 Ford Pickup	Water	WE-303	3	25,000
<b>Total for 2019</b>				<b>7,047,500</b>

<b>2020</b>				
Cable TV Equipment Replacement	Administration	A-004	3	2,500
Public Works Building	Engineering	EE-005	1	10,000,000
Replacement of 2010 Single Axle Ford Dump Truck	Parks	PE-601	2	40,000
Pine Valley Park Improvements	Parks	PP-010	5	550,000
Regional Trail Development	Parks	PP-017	3	100,000
Hockey Boards	Parks	PP-040	3	30,000
Dog Park	Parks	PP-043	3	50,000
Squad Car Replacement	Police	PD-002	2	95,000
Replacement of 1996 Single Axel Dump Truck	Street	SE-208	3	200,000
Replacement of 1969 John Deer Dozer	Street	SE-219	4	0
Replacement of 2005 Chevrolet K1500 Pick-Up	Street	SE-504	2	20,000
Miscellaneous Street Repair and Overlays	Street	STP-010	1	400,000
20th Street Reconstruction	Street & Utilities	STUP-005	2	820,000
14th Street Utility Infrastructure	Street & Utilities	STUP-012	2	1,517,000
20th Street Area Reconstruct	Street & Utilities	STUP-014	3	882,500
Prospect Avenue Reconstruct	Street & Utilities	STUP-018	3	1,820,000
Replacement of 2005 One-Ton Pickup	Water	WE-301	2	50,000
Replacement of 2000 ABU Trailer	Water	WE-304	2	10,000
Station 2 & LSWL Pipe Replacement	Water	WP-024	2	10,000,000
<b>Total for 2020</b>				<b>26,587,000</b>

<b>2021</b>				
Cable TV Equipment Replacement	Administration	A-004	3	2,500
Replace 2011 John Deere Front Mower	Parks	PE-602	2	41,000
Pinehurst Park Equipment Improvements	Parks	PP-013	2	100,000
Squad Car Replacement	Police	PD-002	2	95,000
Sanitary Sewer CIPP Lining	Sewer	SWP-005	1	150,000
Replacement of 2008 Loader	Street	SE-201	2	160,000

Project Name	Department	Project #	Priority	Project Cost
Replacement of 2004 Single Axle Dump Truck	Street	SE-211	2	60,000
2006 Towmaster Light Equipment Trailer	Street	SE-217	2	12,000
Replacement of 2006 Case Rubber Tired Backhoe	Street	SE-227	2	150,000
Miscellaneous Street Repair and Overlays	Street	STP-010	1	400,000
Trunk Hwy 33/Cloquet Ave Ped Crossing	Street	STP-041	2	15,000
Selmsier Ave Reconstruct	Street & Utilities	STUP-013	3	1,480,000
17th Street Reconstruct #2	Street & Utilities	STUP-016	3	325,000
SCADA Replacement	Utilities	WSP-003	1	180,000
Replacement of 1998 John Deere 1145 Tractor/Mower	Water	WE-306	3	42,000
<b>Total for 2021</b>				<b>3,212,500</b>

### 2022

Replacement of 2012 Ford Dump Truck	Parks	PE-604	2	54,000
Veterans Park Improvements	Parks	PP-024	3	250,000
Squad Car Replacement	Police	PD-002	2	95,000
2011 Towmaster Equipment Trailer	Street	SE-216	2	30,000
Replacement of 2007 Ford F-250 Pickup Truck	Street	SE-220	3	28,000
Replacement of 2012 Ford F-350 One-Ton Dump Truck	Street	SE-226	2	60,000
Miscellaneous Street Repair and Overlays	Street	STP-010	1	400,000
Armory Road Area	Street	STP-043	3	1,885,000
17th Street Reconstruction	Street & Utilities	STUP-002	4	725,000
Antus Addition/14th Street Utility Extension	Street & Utilities	STUP-008	4	1,250,000
Garfield Area Reconstruct	Street & Utilities	STUP-017	3	892,500
Meter Replacement	Water	WP-025	1	250,000
<b>Total for 2022</b>				<b>5,919,500</b>

### 2023

Braun Park Field Irrigation	Parks	PP-011	1	200,000
Pinehurst Park Warming House	Parks	PP-037	3	100,000
Ice Arena Improvements	Parks	PP-044	1	2,500,000
Squad Car Replacement	Police	PD-002	2	95,000
Replacement of 2013 Elgin NP Series Sweeper	Street	SE-214	1	225,000
Replacement of Caterpillar Backhoe	Street	SE-223	2	320,000
Miscellaneous Street Repair and Overlays	Street	STP-010	1	400,000
12th Street (Two way traffic)	Street	STP-042	3	107,500
Tall Pine Lane Area	Street & Utilities	STUP-009	3	940,000
Meter Replacement	Water	WP-025	1	250,000
North Water Tower	Water	WP-026	3	2,500,000
<b>Total for 2023</b>				<b>7,637,500</b>

**GRAND TOTAL**

**50,404,000**



**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet, MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
email: admin@ci.cloquet.mn.us  
www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

---

To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: November 20, 2018

---

**ITEM DESCRIPTION:** Public Safety Building Transfer to CAFD

---

**Proposed Action**

Discuss the transfer of ownership of the Public Safety Building to the CAFD.

**Background/Overview**

With the Police Department relocating to the new combined City Hall/PD and the CAFD not moving forward with their new building project at this time it makes sense for the City to transfer ownership of the current Public Safety building to the CAFD. An appraisal was done on the building showing a potential value of \$500,000. The CAFD will have to invest a fairly large amount of money into the building to address various structural issues as well as remodel for their use of the entire building. I recommend that we transfer the building to CAFD for \$1 with the condition that if the CAFD sells the building in the future any profits above the amount the CAFD invests into the facility be split among the City and CAFD 50/50. For example, if CAFD puts \$250,000 into the building for renovations and in the future sells the building for \$500,000 CAFD would get their \$250,000 renovation cost back and an additional \$125,000 from splitting the remaining \$250,000 with the City 50/50. I feel that this is a fair compromise that recognizes the potential significant investments CAFD may have to make in the building while also allowing for the potential of some return of funds to the City for a facility that does have value to the taxpayers.

**Supporting Documentation Attached**

- Appraisal
- CAFD letter to City

# APPRAISAL REPORT

OF

**Public Safety Building  
508 Cloquet Avenue  
Cloquet, Minnesota**

VALUED AS OF

**October 5, 2018**

PREPARED FOR

**City of Cloquet  
1307 Cloquet Avenue  
Cloquet, Minnesota**

BY

**RAMSLAND & VIGEN, INC.**  
Real Estate Appraisers & Consultants  
600 LONSDALE BUILDING  
DULUTH, MINNESOTA 55802

RAMSLAND & VIGEN, INC.  
Real Estate Appraisers & Consultants  
LONSDALE BUILDING  
302 WEST SUPERIOR STREET, SUITE 600  
DULUTH, MINNESOTA 55802-5110

JOHN M. VIGEN, SRA, RM  
GARY A. BATTUELLO, MAI, AI-GRS  
MARCIA A. RAMSLAND, RESEARCH  
MAXWELL O. RAMSLAND, JR., 1939-2014

TELEPHONE: 218/727-8583  
FACSIMILE: 218/727-1697  
appraise@ramslandvigen.com

October 25, 2018

Aaron S. Reeves, ICMA-CM  
City Administrator  
City of Cloquet  
1307 Cloquet Avenue  
Cloquet, Minnesota 55720

Re: Public Safety Building (Police & Fire)  
508 Cloquet Avenue  
Cloquet, Minnesota

Dear Mr. Reeves:

Pursuant to your request for an estimate of market value applicable to the above referenced property, the undersigned has viewed the subject property, reviewed available data, and the findings are contained herein.

The appraisal procedure and report format employed herein is intended to be compliant with Uniform Standards of Professional Appraisal Practice (2018-2019 ed.) Standards Rule 1 (Real Property Appraisal Development) and Standards Rule 2-2(a) (Appraisal Report). This report summarizes data, reasoning and analyses used in the appraisal process.

The purpose of this appraisal is to provide real property market value consultation to assist the client in decision-making regarding the subject property. This is a restricted appraisal report intended for the stated use, not for any other purpose.

Predicated upon a review of data summarized herein, the subject's market value, in its "as is" condition, effective October 5, 2018, can be estimated to be:

FIVE HUNDRED THOUSAND DOLLARS  
(\$500,000.00)

Respectfully submitted,



John M. Vigen, SRA  
Certified General Real Estate Appraiser  
Minnesota License 4000928

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### Addenda

Building Plans  
Photographs of Subject  
Zoning Information  
Portion of BKV Group-City Facilities Master Plan and Space Needs Analysis



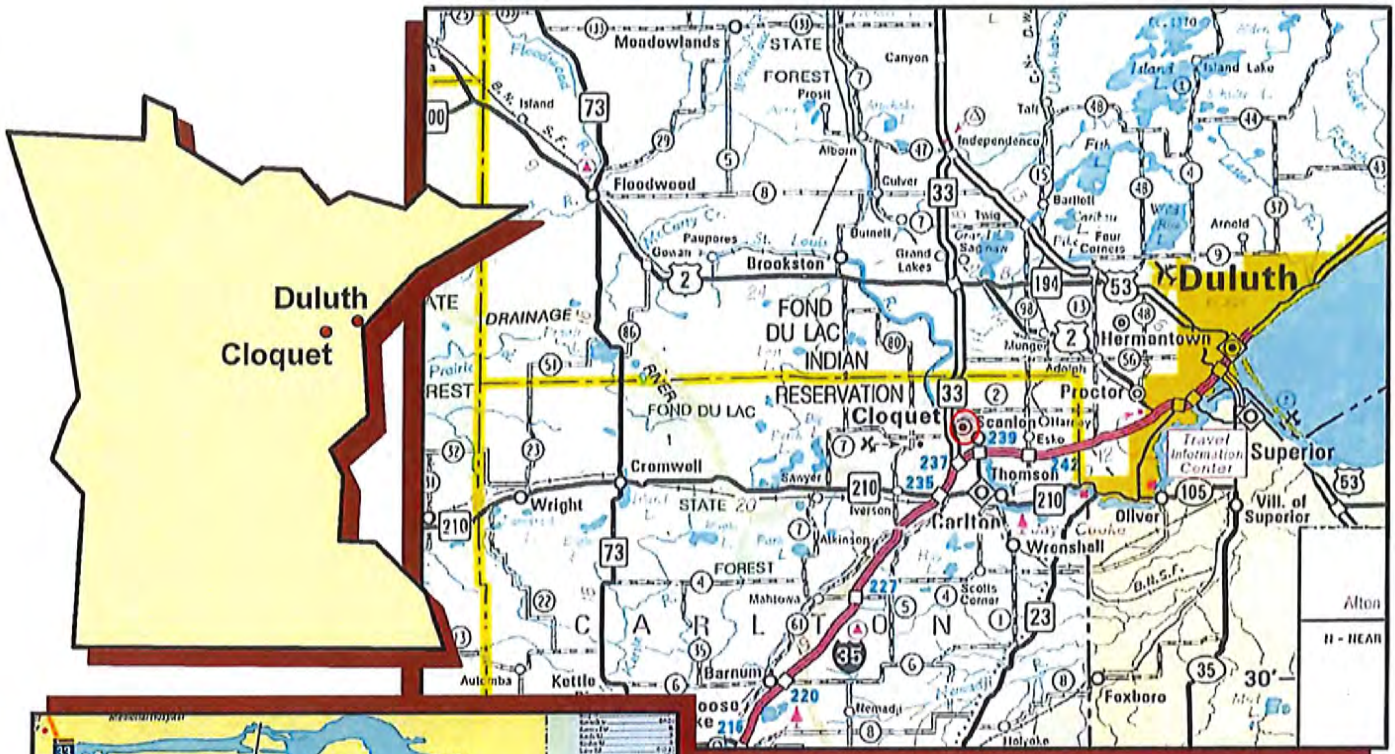
PROPERTY IDENTIFICATION

The subject is the Public Safety Building (Police & Fire) complex located at 508 Cloquet Avenue, Cloquet, Minnesota 55720. Mr. William T. Hehwig, attorney at law of Rudy Law Firm, indicated available public records defined the subject's legal description as:

Lots 1-5, 18-22, and the North 15 feet of Lots 6 and 17, Block E, original Village, now City, of Cloquet, Minnesota, as said Block E now exists and is occupied facing 170 feet on Cloquet Avenue as now located and 308 feet deep, more particularly described as follows, to wit:

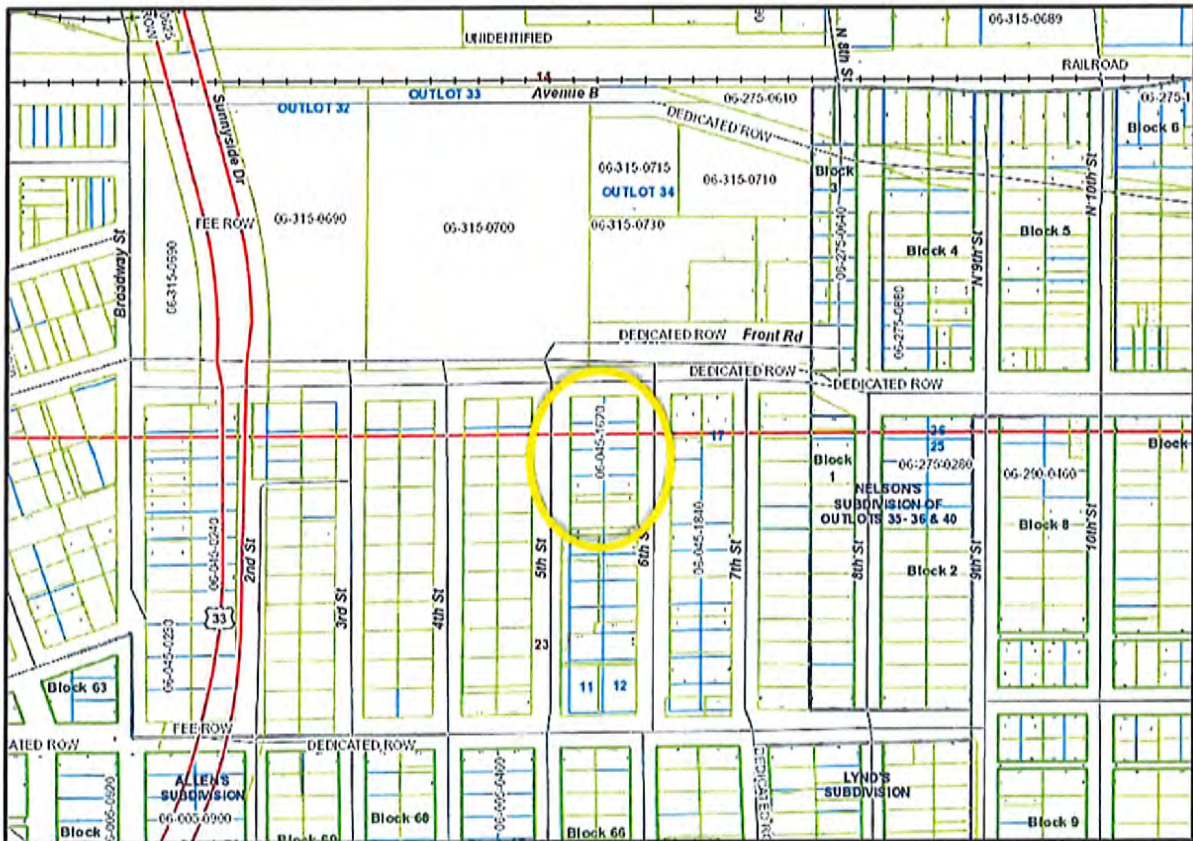
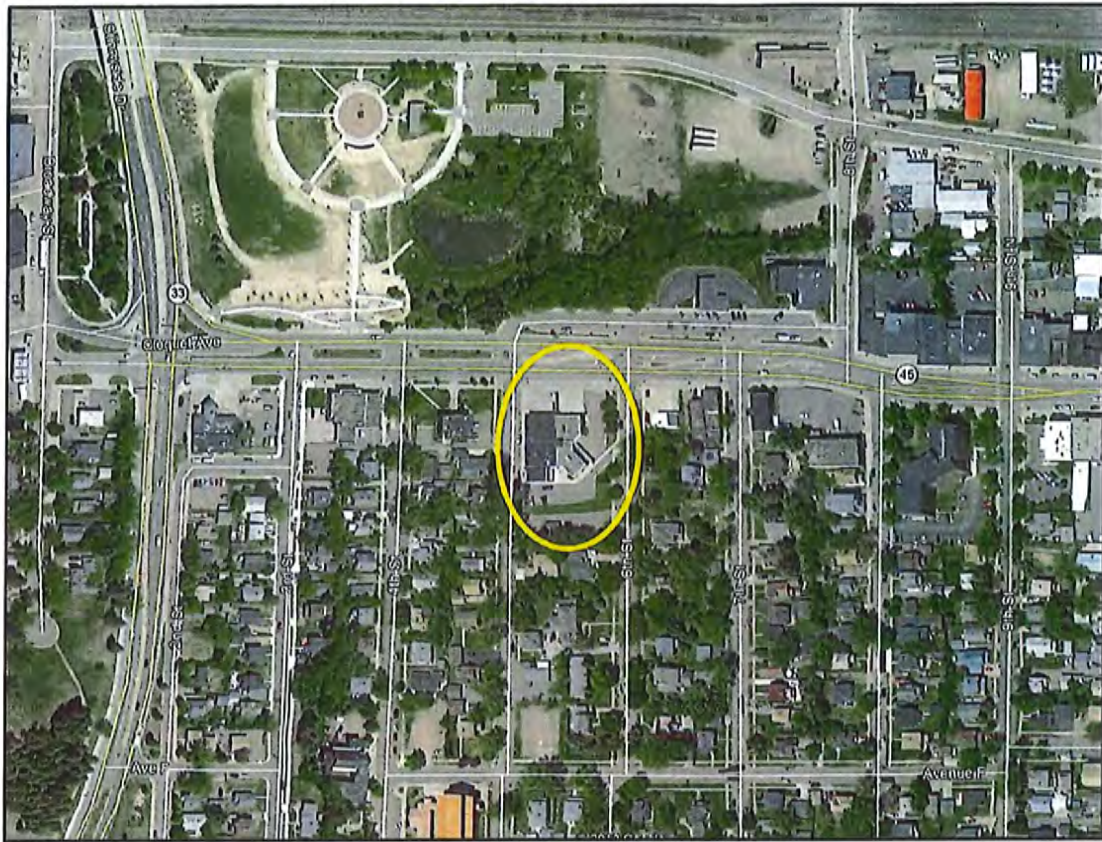
Beginning at an Iron monument located at the Northeast corner of Block E of the original Village, now City, of Cloquet, Minnesota, as said Block E now actually exists and is occupied, erected at the intersection of the South right-of-way line of Cloquet Avenue and the West right-of-way line of Sixth Street; thence running South along the East line of said Block E and the West right-of-way line of Sixth Street 308 feet to an Iron monument located at an intersection with the South line of the North 15 feet of Lots 6 and 17, Block E; thence at right angles West along last said line extended 170 feet to an Iron monument erected at an intersection with the East right-of-way line of Fifth Street, being the West line of Block E, as said Block E actually exists and is occupied; thence at right angles North along said East line of Fifth Street and said West line of Block E, as said Block E actually exists and is occupied, 308 feet to an Iron monument located at the Northwest corner of Block E, as said Block E now actually exists and is occupied, erected at the intersection of the East right-of-way line of Fifth Street and the South right-of-way line of Cloquet Avenue; thence at right angles East along the South right-of-way line of Cloquet Avenue being the North line of Block E, as said Block E actually exists and is occupied, 170 feet to an Iron monument and the place of Beginning;

A title examination confirming surface and fee simple interest ownership is beyond the scope of this assignment. The legal description as defined is inclusive of any easement of record which may become evident upon completion of title review and resulting opinion. Properties defined are depicted on project exhibits herein.



Cloquet Public Safety Building  
 508 Cloquet Avenue  
 Cloquet, Minnesota





## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate a most probable market value of the subject's fee simple interest in its "as is" condition, effective October 5, 2018.

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. The Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition. (2015), pp. 141-142 defines market value as interpreted by various agencies for various purposes, inclusive of the federally insured financial institutions (FIRREA), the International Valuation Standards Counsel, and Uniform Standards of Federal Land Acquisition (Yellow Book). Uniform Standards of Professional Appraisal Practice (USPAP 2016-2017) recommendations are also referenced. The Appraisal Institute indicates in its 14<sup>th</sup> Edition of The Appraisal of Real Estate, p. 58, the most widely accepted components of market value as expressed by various professional appraisal groups are incorporated into the following definition:

*The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.*

## USER AND USE OF THE APPRAISAL

The intended user of this appraisal is Mr. Aaron Reeves, City Administrator, and the City Council of the city of Cloquet, Minnesota. This appraisal is intended to provide a market value estimate to assist the client in a decision-making process regarding the subject.

## APPRAISAL FORMAT

The valuation procedure and reporting format of the appraisal are intended to be compliant with the Uniform Standards of Professional Appraisal Practices (USPAP 2018-2018 edition) Standards Rule 1 (Real Property Appraisal Development) and Standards Rule 2-2(a)(Appraisal Report).

This report is intended for the client and their assigns for the purpose as stated. It is not intended for third party use in any manner. The appraisal process is also intended to be compliant with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute (2008 edition).

## HAZARDOUS SUBSTANCES

The term "Hazardous Substance" shall mean and include any element, compound, mixture, solution or substance regulated by a federal, state or local law, rule or regulation because of its toxicity, corrosiveness, reactivity, ignitability or carcinogenic effect and shall include petroleum, natural gas and derivative of synthetics thereof. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on the property was not called to the attention of nor did the undersigned become aware of such during the appraiser's observation. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the property's market value. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto which would cause a loss in value. No responsibility is assumed for any such hazardous substance or for any expertise or knowledge required to discover them.

## DATES OF NOTE

Date of Property Observation: October 5, 2018  
Date of Value: October 5, 2018  
Date of Report: October 25, 2018

## SCOPE OF THE APPRAISAL

The undersigned was retained by Mr. Aaron Reeves, City Administrator, to appraise the subject for the purpose stated. Legal descriptions were provided to the undersigned by the City and confirmed with Carlton County public offices. The undersigned is generally familiar with the subject property, its general site environs, and greater city of Cloquet CBD location through passing observation and past real property appraisal activity within this sector of the community. City of Cloquet municipal offices were queried with respect to zoning and land use opportunity. Carlton County assessment information summary of the same is presented in the Addenda. Project exhibits were obtained from various sources to best depict the subject's physical characteristics and community location. On October 5, 2018, the undersigned, accompanied by a Public Safety Building representative, observed the subject property in its entirety.

Regional, economic, cultural and demographic information was assembled and analyzed. Market data employed within the sales comparison analysis was researched through public offices and other venues. All factors relevant to an appropriate valuation procedure for the subject property and purpose of the appraisal were considered herein.

## HISTORY OF OWNERSHIP

Available information indicates portions of the Public Safety Building, as it now exists, were first constructed in 1960 with expansion/renovations completed in 1991. It has been owned by the city and occupied for its intended/current purpose since first built. It has not been offered for sale nor sold since its inception.

## MARKETING PERIOD

Marketing period may be defined as:

A normal market period is the amount of time necessary to expose a property to the open market in order to achieve a sale. Implicit in this definition are the following conditions:

- 1) The property will be actively exposed in and aggressively marketed to potential purchasers through market channels commonly used by sellers of similar types of properties.
- 2) The property will be offered at a price reflecting the most probable markup over market value used by sellers of similar properties.
- 3) A sale will be consummated under the terms and conditions of the definition of market value stated in this report.

The Public Safety Building is a special purpose structure designed to accommodate past needs of police and fire departments serving the city and surrounding communities. Since the building's expansion and renovation in 1991, physical, functional, operational, and technological/equipment needs applicable to police/fire protection, as well as that of supportive personal have changed to the degree the building is nearing the end of its functional life for these entities. Furthermore, a City Facilities Master Plan and Space Needs Analysis, dated March 19, 2015 (Section 2a1-32), prepared by BKV Group, depicts the building as having significant physical/functional deficiencies.

Generally, under current economies of market and balanced consumer demand, a commercial property within the subject's competitive market which might be reasonably repurposed for alternate use (i.e., office to office, retail to office, office to retail, etc.) and appropriately priced, would likely experience a marketing period of three years or less. A public safety building is, however, a special purpose property nearing the end of its useful life as it relates to accommodating occupancy needs of the organization for which it was built. Assuming the property to be vacated, due to its speciality of design, any opinion of marketing time would be conjecture at best.

## CARLTON COUNTY DATA

Carlton County was established in its current boundary in 1857. Its geopolitical characteristics include 24 townships of which nineteen are organized and five unorganized. The county has ten cities, the largest being Cloquet. The others are widely dispersed within the county and function as central cities within their region. Carlton is the county seat. Historically, the county's population was of an agrarian society. Although agriculture and forest management remains an integral part of its landscape, over recent decades, such use is giving way to fractionalization of the landscape for recreational and rural residential development. The county remains sparsely populated with a ratio of 35± persons per square mile. Carlton County is well known for the devastating fire of 1918, which raged through the region at great loss of human life and property.

Current labor statistics for Carlton County indicate an unemployment rate of 3.1% for August 2018. This compares to 4.3% experienced in August 2017.



CLOQUET AREA

Cloquet is known as the City of Wood and is situated in northeastern Minnesota approximately 135 miles north of Minneapolis – St. Paul and 18 miles southwest of Duluth. It is the largest city in Carlton County and local population has had the following pattern.

<u>Area</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2016</u>
Cloquet	11,142	10,885	11,201	12,124	12,111
Carlton County	29,936	29,259	31,671	35,386	35,738

Cloquet’s population experienced a decline between the 1980 and the 1990 census, but 2010 counts demonstrate a modest growth. Carlton County as a whole indicates positive growth, much of which relates to retiree in-migration to the county’s recreational lakes.

The community of Cloquet is located on the St. Louis River, which has been utilized as a water resource for the wood products industry prevalent in the community. Economic wellbeing in the city is dependent upon the fortunes of the wood products business with the largest employers being Sappi Corporation (formerly Potlatch), and USG Acoustical Products.

Cloquet is serviced by rail, has its own general aviation airport and abuts the northerly side of Interstate 35 with two access points to this highway. Minnesota Highway 33 bisects a westerly part of the city in a north-south direction. This highway links Interstate 35 to the south with U.S. Highway 53 to the north. Highway 53 links Cloquet with Minnesota’s “Iron Range” community 60 miles northward and the U.S.-Canadian International border beyond.

NEIGHBORHOOD DATA

The subject is located in a northcentral sector of Cloquet's original cityscape as it lay southward of the St. Louis River. The site specific is located towards the westerly side of Cloquet's historical CBD. It extends between 5<sup>th</sup> Street and 6<sup>th</sup> Street, abutting the southerly side of Cloquet Avenue, the CBD's principal thoroughfare. It also lay 4± blocks eastward of the Cloquet Avenue/Highway 33 interchange. Highway 33 links I-35 south of Cloquet to U.S. Highway 53 and Minnesota's Iron Range/Canadian border well north of the city.

The subject's immediate neighborhood is primarily commercial featuring a diversity of consumer service businesses. The city's public park adjoins the northerly side of Cloquet Avenue, essentially across from the subject.



## MUNICIPAL DATA

### Real Estate Tax Assessment Data

For public record keeping purpose, the subject is identified by four PINs. The property, as noted, is publically owned and occupied as the Public Safety Building. Accordingly, it is real estate tax exempt. It is common for assessed values of tax exempt property to exceed market expectation. Such overstatements are beneficial to a community's revenue sharing under provisions of "in lieu of" standards set by the state of Minnesota. Accordingly, the subject's allocated assessor's market value for 2018 equates to \$1,546,200.

### Land Use and Zoning

A city of Cloquet Land Use and Zoning Department representative confirms the subject lay within a CC-City Center district. In essence, the CC district encompasses Cloquet's historical CBD along Cloquet Avenue, portions of Avenue B, and a segment of 14<sup>th</sup> Street as it extends southerly from Main Street. An exhibit depicting this district is presented.



Article 17.6.13 defines CC-City Center district to encourage and foster further development enhancement of downtown (city center) area. The district requirements recognize the unique characteristics of the city center area as the heart of the city. The city center provides a mix of traditional downtown uses that are consistent with a vision for the area as expressed in a comprehensive plan including retail, entertainment, offices, services, government facilities and a mixture of residential uses. Subd. 2 of the article defines permitted uses of which the subject's current use is one.

Present use of the subject appears consistent with the city's ordinance. A copy of the applicable zoning section is presented in the Addenda.

## PROPERTY DESCRIPTION

The Public Safety Building occupies the northerly end of a city block, which abuts the southerly side of Cloquet Avenue, extending between 5<sup>th</sup> and 6<sup>th</sup> Streets. The site is level at Cloquet Avenue grade, then moderately rises towards the property's southerly boundary. This elevational increase accommodates at-grade access/staging area for fire/police vehicles along the Cloquet Avenue grade. It also accommodates public access as well as adjacent, two-tiered parking areas at the southerly side of the building's second level. Overall, the site is of 170 feet x 308 feet, which equates to 52,360 square feet or 1.20 acres. Located in the city's urban core, the site is serviced by all municipal utilities.

The Public Safety Building is a special purpose building, portions of which were initially constructed in 1960. In 1991, the original building was totally redesigned, repurposed, and a significant addition thereto completed. This project enabled the property's occupancy to be expanded to accommodate the fire department, ambulance service and police department. With minor exceptions, the 1991 design and occupancy configuration remains unchanged.

A set of architectural schematics depicting the building's design was obtained from LHB-Duluth and is replicated herein. Due to a lack of scale and architectural dimensional standards on those schematics, the appraiser's estimated building area may vary slightly from that estimated from other sources. In essence, the schematics suggest the building as a whole is of two story height. The lower level, Cloquet Avenue footprint, is of 11,817± square feet. Of this, approximately 78±% or 9,295 square feet is occupied by the Fire Department (office at 4,076 sq. ft/garage 5,219 sq. ft). The remainder 22% or 2,522 square feet of the lower level is allocated to the Police Department (office 1,352 sq. ft/garage 1,170 sq. ft).

The building's upper level, which is accessed at grade along its southerly side, is of lesser footage than the lower. The upper level is estimated to contain 6,665 square feet or 36±% of the gross building area. Occupancy of this level is also allocated between departments with functionality primarily office and staff support. The Fire Department occupies 4,242± square feet or 64% of the upper level, while the Police Department occupies 2,423 square feet or 36%. Portions of the upper level's core area functions as a common area, central control center for coordination of the community's emergency response.

In total, the Public Safety Building's gross building area is estimated to be 18,482± square feet, of which 13,537± square feet or 73±% is allocated to the Fire Department and 4,945± square feet or 27±% is occupied by the Police Department. It is noted, the 18,482± square foot GBA estimated herein is within 4±% of the 17,700± square feet estimated by BKV Group in their March 19, 2015 public safety facility assessment study. A minor 782± square foot disparity in scale is not uncommon considering the subject's specialized, atypical configuration.

The Public Safety Building architectural schematics depict and property observation concurs the building's layout is highly specialized to accommodate its occupancy purpose. The lower level space was designed to meet equipment and operational needs as well as 1991 regulatory standards applicable to both agencies. The 28-year-old design now appears to be obsolete for such use with respect to the Fire Department. Gear requirements for fire safety have changed dramatically, resulting in common area hallways being utilized for equipment prep and storage. The size/function of rolling equipment has also changed, rendering operational challenges within vehicular bays. Emerging requirements within the Police Department also require adaption of new equipment, regulatory standards for securing evidence, armament, and police/public interaction. While the Police Department's vehicular bay meets the standards for traditional passenger vehicles, it cannot accommodate today's all weather oversized vehicles. Although the building continues to function for its intended purpose, occupancy needs are stressed by the conflict between today's operational standards and equipment requirement versus a 1991 design.

In 2015, BKV Group was commissioned to complete a City Facilities Master Plan and Space Needs analysis. Section 2a of that report presented a 32-page analysis of the Public Safety Building. A copy of portions of that assessment, which summarizes the group's observations, yet excludes photographs is presented in the Addenda. The BKV report essentially summarizes physical characteristics of the building and its functionality with respect to current occupancy expectation. The undersigned's observations as well as the BKV report depict the building's physicality as experiencing varying degrees of deferred maintenance and required capital improvements. The building's exterior is in need of refurbishing, inclusive of paint, masonry and wood fascia repairs. The rubber membrane roof system is of the 1991 renovation era and nearing the end of its physical life. Leak recapture tarps were observed amid the ceiling structure of the Fire Department bay. Other areas also evidence moisture intrusion. Some site improvements, such as concrete work, curbing, etc., are also in need of refurbishing. It must be recognized the building's

occupancy causes wear/tear well beyond that associated with typical general commercial building use. Such uses require an accelerated, more intensive maintenance schedule than general market expectation. As is the case with many municipally managed properties, budgetary constraints often influence the extent and frequency of maintenance. With respect to the subject property, there are numerous physical and code characteristics which are deficient by today's regulatory standards and occupancy expectation.

The Public Safety Building has a specificity of design and intensity of occupancy use which is atypical for its community and regional competitive market. The building's redesign and expansion in 1991 met basic criteria for its then intended use and occupancy. By today's regulatory and operation standards, however, various building elements are physically/functionally obsolete. In recent years, both agencies have continued occupancy use on an "interim" basis as decisions regarding the building's future remain in discussion. It is readily apparent, should the building be vacated and offered for alternate use, such use would be dependent on either a major renovation of the existing complex or it may be more cost effective to raze the existing structure and repurpose the land. Alternatively, should the Police Department vacate the property, which occupies lesser space, and the Fire Department remains on in interim basis, it is reasonable to anticipate repairs to certain areas of deferred maintenance (i.e., roof) would be required. Reconfiguration of some space is likely. In any of the repurpose scenarios, the building's speciality of design renders it physically/functionally obsolete with respect to market expectation.

## HIGHEST AND BEST USE

The Appraisal Institute in its Dictionary of Real Estate Appraisal, 6<sup>th</sup> Edition, p. 109, defines highest and best use as:

*The reasonably probable use of property that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*

## HIGHEST AND BEST USE ANALYSIS

An analysis of the four criteria appropriate for the subject follows.

### Legal Permissibility of Land as Though Vacant

The test of this standard is to recognize private restrictions, zoning, building codes, historic district controls, and environmental regulations which may impact a property's use opportunity. Appropriate land use regulatory standards applicable to the city of Cloquet have been analyzed. The subject is encumbered by CC-Center City district land use standard, which is consistent with the subject's current use. Accordingly, the subject's use opportunity does meet the test of legal permissibility.

### Test of Physical Possibility of Land as Though Vacant

The subject site comprises the northerly end of a city block and is surrounded on three sides by improved public streets. The land has a moderate elevational increase from its northerly property line to the south and is serviced by all municipal utilities. Accordingly, the subject meets the test of physical possibility.

### Test of Financial Feasibility of Land as Though Vacant

The Appraisal Institute suggests the financial feasibility test of land as though vacant relies on interpretation of relevant and credible market evidence collected and analyzed in the market area and in the subject's competitive market. Specificity of the subject's physical/functional characteristics were designed to accommodate a public safety building whose occupants are the community's fire, ambulance, and police agencies. The subject's current design originated with a 1991 expansion and reconstruction of a 1960's-era public building. Information obtained from representatives of these departments as well as a March 2015 facility assessment analysis, indicate the building's design and use opportunity are near obsolete, predicated on current building codes, operational standards and equipment needs of a multi-agency occupancy. Also, elements of the building's physicality are further challenged by conditional characteristics due to its age and diversity of use. Furthermore, recognizing existing speciality of design/purpose, the building's design may be problematic (uneconomic) to repurpose for alternate, non-safety agency occupancy. Not only would significant reconstruction be warranted, but, due to the building's excess size for its competitive market, deconstruction of part or all is a real likelihood. A most probable market value presented herein results from an analysis of diverse elements considered to influence value. Assuming the subject to offered in the open market, given appropriate marketing exposure and priced competitively for its position in the market, the financial feasibility test could be met.

### Test of Maximum Productivity of Land as Though Vacant

This test shadows the prior. It is a test of maximum productivity or economic benefit that accrues as a result of highest and best use of the land. As noted, the building's speciality of design and size would be a challenge to repurpose for a use other than its present occupancy. Either significant redevelopment or deconstruction of part or the whole may best complement future, alternate use of the land. Maximum productivity of the land is achieved through an economic gain for the property specific as well as the community as a whole. Assuming the subject to be marketed at its estimated value and put to a highest and best use, the test of maximum productivity has been met.



### Highest and Best Use Conclusion

Factors necessary for consideration in a highest and best use analysis have been defined. The subject's descriptive analysis supported by project exhibits depict the building to be suitable for interim use as occupied for public safety purpose. Adaptation for alternate use may require significant renovation or deconstruction of part or all of the building to accommodate redevelopment of the land. Predicated on factors which contribute to value, the subject's highest and best use is as it may contribute to continued interim use as a Public Safety Building until such time as the municipality deems otherwise.

## VALUATION PROCEDURE

Traditional appraisal practice generally considers three recognized indicators of value: the replacement cost, income analysis, and sales comparison valuation techniques. The nature of the subject property, purpose of the appraisal, and availability of meaningful data influence appropriate valuation techniques to be employed.

### Cost Approach

The cost approach to value estimates replacement cost of improvements less applicable depreciation plus contributory value of the land. Recognizing the special purpose design of the subject property, purpose of the appraisal and availability of meaningful data from which to abstract depreciation estimates, the cost approach is not applicable.

### Income Approach

An income valuation technique estimates the subject's most probable market value predicated on an analysis of its net earning potential capitalized into value. The subject, as defined, was designed and has historically been occupied by the community's Police and Fire departments. Depending on future ownership, with modification, it might be occupied by multiple, mixed purpose tenants. It would be highly speculative, however, to suggest who such entities might be. Rather, based on highest and best use, it is more likely future use might support expanded occupancy for Fire Department purpose on a continuing indeterminate, interim period. Generally, a single-user occupant pays a triple-net rent whereby the tenant pays all operating costs inclusive of utilities, building insurance, real estate taxes, and common area maintenance. An income approach presented herein anticipates such occupancy.

The subject was designed and constructed in 1991 as a special purpose building to accommodate the community's public safety division of Police and Fire departments. Accordingly, its functionality of space is user specific for such purpose. Municipal buildings are rarely occupied by public departments on a market rent basis. They are not considered investment grade properties where an owner anticipates a specific rate of return. Rather, in some instances, rents are allocated and expenses recaptured on a per department municipal budget basis. Should a rent

factor be part of this process, it is generally an assigned allocation for budgetary purpose. For purposes herein, an allocated rent is considered. This rent is predicated on an absolute triple net basis with tenants incurring all occupancy/expense cost. Acknowledging the lack of market rental applicable to a similar building, the income approach data must be considered a balancing indicator relative to a market derived sales comparison approach.

### Sales Comparison Approach

The sales comparison approach considers the value in exchange or the price paid for comparable properties in the marketplace. Most often data is obtained from public records or other sources which have familiarity with a subject's market. Information resources queried for the purpose of this analysis include St. Louis County and Carlton County assessment offices, Board of Realtor data and other public records.

As noted, the subject is special purpose building whose specificity of design was intended to accommodate the community's Police and Fire departments according to 1991 standards. Albeit it continues to function for said purpose on an interim basis, codes, operational standards and equipment requirements have rendered the 27±-year-old design as now being obsolete in many respects for its intended purpose. Unlike buildings designed for general consumer purpose and capable of multiple use/repurpose opportunity (i.e., warehouse, retail, office building, etc.), the market is devoid of sales of public properties similar to the subject. Absent like comparable data, it was deemed appropriate to research sale data applicable to a variety of commercial properties to obtain a perspective for the range in price paid. Market research extended throughout northern Minnesota. Properties considered included, but are not limited to, general commercial, such as transportation centers, service garages, vehicular service/office combinations, light manufacturing, office, retail, and public property disposition of various types. Dates of sale extended from present date to late 1980's. It is opined a market survey of prices paid for diverse commercial property types provides an opportunity to develop a reasoned estimate of the subject's most probable range in market value in its "as is" condition. A summary of market derived observations follows.

Rec	PIN#	Prop. Id	Add	Date	Price	B/SF	\$/SF
3741	415-0010-06902+	Monson Trucking facility	5102 S Cant Rd	2015~ 6	\$900,000	25,414	\$35.41
3886	090-0165-00090+	Truck terminal & office	1518 8th St S, Virginia	2017~ 8	225,000	21,550	10.44
2898	010-0940-01190	City Water & Gas Building	414 W 1st St	2005~ 8	376,500	21,000	17.93
3689	010-3598-00140	WP & RS Mars ofc/wrhs	4319-4323 W 1st St	2014~ 9	850,000	20,664	41.13
3533	380-0010-02880	Caribou Lake Elementary School	6279 Industrial Rd, Saginaw	2010~ 7	300,000	19,734	15.20
3123	05-010-1206+	trucking facility	521 Hwy 2, Cohasset	2005~11	475,000	19,500	24.36
2083	05-3825	Douglas Cty Hwy Garage & maint fac	128 N 21st St, Superior	1999~12	326,000	18,600	17.53
3792	010-0141-00055+	Archer Racing Accessorles	4415 Venture Ave	2016~ 2	815,000	17,680	46.10
3596	140-0270-00875	Mars Company warehouse/shop	3106 E Beltline, Hibbing	2012~ 3	390,000	16,740	23.30
3009	139-0050-04758	Industrial Rubber Products	604 W 41th St, Hibbing	2006~ 7	270,000	15,270	17.68
3471	010-0970-00120+	Duluth Fire House #1	101 E 3rd St	2012~ 1	500,000	14,885	33.59
3489	395-0010-02966	Navy Reserve Center, former	5019 Airport Rd	2012~ 3	151,000	14,268	10.58
2719	010-4540-01590+	Chesley Freightliner trucks	6220 Grand Ave	2004~ 1	300,000	12,930	23.20
3667	010-3598-00330	Glendenning truck terminal	4202 W Superior St	2013~ 9	410,000	12,016	34.12
3791	040-0205-00106+	Fingerhut call center	1250 Industrial Pk Dr, Eveleth	2015~ 9	249,000	12,000	20.75
2328	010-2730-00533+	Transfer Storage Facility	1100 W Gary St	2000~11	250,000	12,000	20.83
3845	140-0200-01140+	Range Steel Fabricators	2215 W 5rd Ave, Hibbing	2016~ 7	175,000	11,510	15.20
2797	010-3598-00251	Gold Cross Ambulance offices	4505 W Michigan St	2003~ 1	628,000	10,625	59.11

**AVG      16,466    25.91**

The city's Public Safety Building is a special purpose property, atypical in design and size for its local and regional market. The undersigned opines, if vacant and offered for sale, one of two scenarios would likely occur. Either the building would be razed and the land put to a higher and better use, or the existing structure would be significantly modified for reuse in whole or part for some form of commercial use. The 18 market derived observations presented consist of diverse property types, the commonality of each being its commercial use.

The 18 observations are geographically dispersed throughout the subject's greater region. They vary in size from 10,625 square feet to 25,414 square feet. The subject has 18,482± square feet. While most are of single purpose occupancy, all present mixed use opportunity. There is a diversity of building age and style. Occupancy differs from retail, office, warehouse, distribution, truck/vehicular service, and other mixed use. Observations also include available data for public building disposition when available.

In the analysis of buildings which have diversified styles, yet feature a commonality or competitive use opportunity, an appropriate unit of comparison is the price paid per square foot of building area. The 18 observations vary in price paid between \$10 to \$59 per square foot with the average of the whole being \$26 per square foot. Only six of the eighteen observations were priced above the average with twelve being below. Excluding the low/high outliers, the remaining fourteen observations range between \$15 to \$35 per square foot and average \$24 per square foot.

Properties which offer the vehicular bay capacity as well as office and/or supportive area included:

Record #3741 (Monson Trucking), which was a modern, destination truck facility situated on 75 acres several miles east of Duluth. It provided significant truck service infrastructure inclusive of EPA approved, oversized, truck wash bays, service center, business/employee center, and driver's rest quarters. It sold for \$35 per square foot.

Record #3123 was a traditional motor express distribution center with truck service, warehousing, limited office, and employee support. It was located in Cohasset and sold for \$24 per square foot.

Record #2083 was a former Douglas County highway garage and main office complex, which included vehicular bays and office. It was acquired by an oil distribution center to accommodate trucks and office. It sold for \$17 per square foot.

Record #2719 was a Freightliner distribution center inclusive of truck bays, warehousing, and office. It sold for \$23 per square foot.

Record #3667 was also a truck distribution center inclusive of vehicular bay, warehouse, and office.

Record #3792 was a building designed specifically for vehicular maintenance inclusive of an 18-wheeler bay. This building was of modern construction and included qualitative office. It sold for \$46 per square foot.

It appears of the observations presented, those with dedicated vehicular bays and mix of office support sold on average for \$30± per square foot.

It is known the subject's office/employee support area constitutes 65% of the total building. The space, however, has speciality of design being dedicated for its use intended purpose. The building as a whole also evidenced varying degrees of deferred maintenance. Alternate use would likely require partial deconstruction and redesign of layout. Market observations which experience similar deconstruction/repurposing requirements to the acquired building shell were generally marketed in the \$15 to \$20 per square foot range. It is further noted, albeit the subject building features speciality of design and significant deferred maintenance, it does front the CBD's main street near the Highway 33 intersect. So, for the right occupant, location could prove beneficial. Taking into consideration factors which influence value, it is reasonable to suggest the subject may find market acceptance, in its "as is condition" at a range in value of \$24 to \$28 per square foot. Applying these factors results in the following value range.

18,482 square feet x \$24 per square foot = \$443,568  
18,482 square feet x \$28 per square foot = \$512,496  
(rounded) \$445,000 to \$515,000

## INCOME ANALYSIS

The subject is defined as having speciality of design to accommodate public service agency occupancy. Due to its characteristics, in all likelihood, should the building be vacated, it would require extensive renovation for general market purpose. Alternatively, the building may be razed and the land put to a higher and better use. The more likely scenario might be interim occupancy by one or the other of the building's current occupants. For example, the Fire Department presently occupies 73±% of the building as a whole. Should the Police Department relocate and the Fire Department occupy the building as a whole on an interim basis, the city may find it appropriate to allocate an interim rent. While such a scenario may be conjecture, an analysis of the same might provide an indication of the subject's market value in its "as is" condition under a use for which the property was designed. Most often, when a building such as the subject is leased to a single user occupant, it is leased on a triple net basis. Under that scenario, the tenant pays all occupancy/operating costs inclusive of utilities, real estate taxes, building insurance, common area maintenance, etc. The developed base rent excludes development for such items. The lessor generally incurs expense for personal accounting, legal, and liability insurance. In recognition of significant, pre-existing deferred maintenance, in this instance, a reimbursable expense budget for this category is appropriate. The total modified income is adjusted for an allocated market vacancy and collection expense. This results in an effective gross income (EFI) estimate. All applicable expenses are deducted from the effective gross income to derive the estimated net operating income.

Available data from within the community suggests secondary and primary triple-net office rent generally varies from \$6 to \$12 per square foot. Retail can vary from \$3 to \$8 per square foot. Surface areas (i.e., garages/repair shops, etc.), warehouses and assembly space appears to vary from \$2 to \$6 per square foot. Due to the nature of Cloquet's market (CBD versus Highway 33 corridor), elements of market demand, availability of space, etc., rent applicable to an atypical, occupancy challenged property is highly negotiable.

The Public Safety Building contains 18,482± square feet, of which 6,389± square feet, or 35%, is of garage bay. The remainder is of office/staff support and utility core. The BKV facility assessment study and the undersigned's observations concur the building's physicality evidences significant deferred maintenance and its functionality is less than compliant with today's public safety agency needs. Despite these deficiencies, the building remains capable, for a reasonable interim period, to support its existing occupancy until alternate opportunities prevail.

The premise for this analysis anticipates the property to continue its real estate tax exempt status. Further, the property is occupied by one of the public safety agencies on a triple net basis. This requires the tenant to pay all occupancy costs. The city (landlord) remains responsible for allocating its personal accounting, legal and liability insurance component applicable to this building. Further, recognizing the existing deferred maintenance, and occupancy needs of the tenant, the tenant shall have discretion as to prioritizing areas of repair, subsidized by an allocated budget reimbursement from the city. A projected income/expense analysis predicated on this scenario follows.

<u>Potential Gross Income</u>		
18,482 @ \$5/sq. ft	\$92,410	
Less Vacancy (10%)	<u>(9,241)</u>	
		\$83,169
<u>Capital Expense</u>		
Fixed (acting, legal, ins)	\$9,241	
Allocation for Repair	<u>23,102</u>	
(18,482 @ \$1.75 sq. ft)		<u>(32,343)</u>
		\$50,826

In spite of its CBD main street location, the subject is physically/functionally challenged. The building characteristics has speciality of design to accommodate the community's Public Safety Building. A technical study depicts the building as having significant deferred maintenance. Furthermore, the building's size exceeds what is typical for its local, commercial market, and, repurpose would require significant investment. With these thoughts in mind, it is reasonable to anticipate an elevation in risk perception resulting in a capitalization rate between 10% to 11%. Applying these factors to the developed operating income results in the following value range.

$$50,826 \div .10 = \$508,260$$

$$50,826 \div .11 = \$462,054$$

(rounded) \$460,000 to \$500,000



## VALUATION CONCLUSION

For the purpose of this analysis, both a sales comparison and income analysis valuation technique were employed. Acknowledging the subject's speciality of design, its physical/functional characteristics and lack of comparables representing similar buildings, the sales comparison approach presented a reasoned review of price expectation applicable to diverse commercial property types within the subject's larger, competitive region. Market observations included a wide variety of property types, ages, conditions, and occupancy opportunities. A common unit of comparison is the price paid per square foot of building area. A market survey provided a breadth of price expectation for commercial property which presented reasonable reuse opportunity. This process resulted in a range in value between \$445,000 to \$515,000.

Again, acknowledging the speciality of building design and uncertainty of cost of conversion to alternate use opportunity, the income analysis was predicated on a perception the primary public safety agency now occupying the subject would remain on an interim basis until an alternate opportunity was presented. The analysis also anticipated a triple net rent, whereby the tenant would pay all occupancy costs and the city (landlord) would allocate an appropriate amount (accounting, legal, liability insurance) necessary to manage the building. In addition, recognizing the degree of existing deferred maintenance, it is anticipated the city would allocate an annual reimbursement budget to assist the tenant prioritize maintenance. A rent allocation based on melded space and building characteristics was estimated. The process resulted in a range in value of \$460,000 to \$500,000.

The broad range in value of \$445,000 to \$515,000 equates to \$24 to \$28 per square foot of building area, which is consistent with available data.

Taking into consideration the subject's speciality of design, condition, and occupancy opportunity, its most probable market value in its "as is" condition can be stabilized at:

FIVE HUNDRED THOUSAND DOLLARS  
(\$500,000)



# Cloquet Area Fire District

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2801 Dewey Avenue, Scanlon, Mn. 55720  
Phone: (218) 499-4274 : Fax: (218) 499-4289

September 6, 2018

City of Cloquet  
c/o Aaron Reeves, City Administrator  
1308 Cloquet Avenue  
Cloquet, MN 55720

Mr. Reeves,

As you are aware the future of the current Cloquet Public Safety Building has been a point of discussion for the last few years. The Governor's veto of the Omnibus Tax bill this year has delayed planning for a new CAFD fire station, and the decision to move the Police Department to the new city building on 14<sup>th</sup> street has created new short-term opportunities. Due to the specific nature of the CAFD operations and the size of our foot print, the CAFD has few options for facilities within Cloquet in which to operate until future building plans can be realized.

On May 1, 2018 the CAFD Building Committee met with you to discuss facility options in Cloquet including the current public safety building and the city hall location. The city hall location was subsequently studied and eliminated from further consideration and has recently been sold to Carlton County. The current public safety building was further reviewed and the CAFD engaged Boldt Construction to survey the building and develop a list of immediate repair needs to keep the building functional for a 3-5 year period. Informal discussion also continued on the transfer of this building to the CAFD. Options for this possibility have ranged from a symbolic \$1.00 transfer at the May meeting to future profit splitting, and purchase at assessed value in more recent discussions.

Boldt Construction has also completed their survey of the facility and developed a basic budget to address the most immediate needs of the building to ensure its functionality. The original budget came back at \$357,000 in immediate repairs. Based on the necessary investment into the building, and the need to continue to provide timely and efficient service to the community of Cloquet and the surrounding area, the CAFD would like to formally express our need for the current public safety building. The CAFD requests to discuss with the City and its council, the concept of the transfer of the building to the CAFD for \$1.00.

Thank you for your time and attention.

Sincerely,

Kevin M. Schroeder  
Fire Chief

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*Station 1*  
508 Cloquet Avenue  
Cloquet, Mn. 55720  
(218) 879-6514

*Station 2*  
2779 Big Lake Road  
Cloquet, Mn. 55720  
(218) 879-5605

*Station 3*  
2801 Dewey Ave  
Scanlon, Mn. 55720  
(218) 499-4258

*Training & Safety*  
2801 Dewey Avenue  
Scanlon, Mn. 55720  
(218) 499-4273



**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet, MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
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www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Honorable Mayor and City Council  
From: Aaron S. Reeves, City Administrator *AR*  
Date: November 20, 2018

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**ITEM DESCRIPTION:** 2019 CAFD Budget/Levy Update

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**Proposed Action**

Review an update from CAFD on their proposed 2019 budget and levy.

**Background/Overview**

The City of Cloquet pays roughly 80% of the CAFD tax levy. With such a large amount of their levy coming from the City's taxpayers I think it is important for the Council as a whole to be provided an update on their proposed budget and levy and ask any questions you may have.

**Supporting Documentation Attached**

- CAFD 2019 Budget Summary

# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016 ACTUAL	District 2017 ACTUAL	Proposed District 2018 BUDGET	Proposed District 2019 BUDGET
Acct #      Account Description				

### FIRE EXPENDITURES - Station 1 - Cloquet

#### **PERSONAL SERVICES (901-42-222-1)**

0101	SALARIES - FT - REGULAR	1,420,231	1,568,238	1,708,000	1,755,000
0102	VAC/HOL CALL IN (2.650)	7,534	3,554	5,000	5,000
0103	SALARIES - FT - 1.5	132,468	144,528	100,000	130,000
0111	EMERGENCY OT	93,588	118,280	135,000	135,000
0113	HT - DISBURSEMENTS	65,157	64,882	70,000	70,000
0114	SALARIES - ACTING OFFICER	3,324	2,764	4,500	4,500
0121	PERA CONTRIBUTION	279,008	309,260	280,000	298,000
0123	MEDICARE CONTRIBUTION	23,374	26,634	25,000	25,500
0124	VEBA/HSA CONTRIBUTION	41,947	39,367	48,000	48,000
0131	HEALTH INSURANCE	203,675	312,398	215,000	315,000
0132	DENTAL INSURANCE	16,163	16,377	17,000	16,000
0133	LIFE INSURANCE	2,926	2,730	3,600	3,500
0151	WORKERS COMP INSURANCE	170,897	153,821	90,000	100,000
	SUBTOTAL	2,489,153	2,790,833	2,701,100	2,905,500

#### **SUPPLIES (901-42-222-2)**

0200	OFFICE SUPPLIES	320	582	500	500
0205	CLEANING SUPPLIES	523	596	550	550
0210	DISPOSABLE SUPPLIES-AMBULANCE	33,797	23,479	35,000	35,000
0211	MEDICATIONS	5,383	15,110	8,000	8,000
0212	MOTOR FUELS	30,218	31,170	40,000	35,000
0213	FIRE FIGHTING FOAM	899	1,846	4,000	1,000
0219	OTHER OPERATING SUPPLIES	3,437	3,044	1,000	1,000
0229	OTHER MAINTENANCE SUPPLIES	253	38	500	500
0240	SMALL TOOLS & MISC EQUIPMENT	1,176	2,135	1,500	1,500
0241	TECHNICAL RESCUE	170	4,527	1,000	1,000
0242	FIXED AMBULANCE EQUIPMENT	250	10,948	2,000	2,000
0243	ATMOSPHERIC AIR MONITORING	2,532	1,456	1,000	1,500
0571	OFFICE EQUIPMENT/FURN (-5,000)	0	0	0	0
	SUBTOTAL	78,958	94,931	95,050	87,550

#### **OTHER SERVICES (901-42-222-3)**

0305	MEDICAL & DENTAL FEES	3,739	4,226	4,500	8,000
0319	MISCELLANEOUS EXPENSE	2,969	2,370	1,500	1,500
0321	TELEPHONE/INTERNET	8,869	6,368	10,000	8,000
0323	RADIO UNITS	523	2,204	3,000	500
0361	PROPERTY & LIABILITY INSURANCE	45,135	41,710	30,000	40,000
0381	ELECTRICAL SERVICE	10,542	11,802	11,000	12,000
0382	WATER & SEWER SERVICE	1,269	1,226	1,300	1,300
0383	NATURAL GAS SERVICE	3,943	3,450	5,000	4,000
0401	BUILDING MAINTENANCE	21,826	18,488	20,000	100,000
0402	EQUIPMENT MAINTENANCE	2,154	1,448	2,500	2,000
0403	VEHICLE MAINTENANCE	34,169	29,735	30,000	30,000
0404	MACH & EQUIP MAINT - CONTRACT	903	2,587	2,500	2,500
0410	COMPUTER MAINTENANCE	1,008	2,342	1,000	1,000
0417	STATION UNIFORMS	4,776	5,844	5,000	5,000
0418	PERSONAL PROTECTIVE EQUIPMENT	4,073	3,552	6,000	6,000
0575	COMPUTER EQUIPMENT	1,001	4,943	1,500	1,500
0700	SCBA MAINTENANCE	2,173	1,971	4,000	4,000
	SUBTOTAL	149,072	144,266	138,800	227,300

#### **CAPITAL OUTLAY (901-42-222-4)**

0520	BUILDINGS & STRUCTURES	0	0	0	0
0550	MOTOR VEHICLES	144,243	10,559	90,000	300,000

## CLOQUET AREA FIRE DISTRICT 2019 Operating Budget - Proposed

FUND 901		District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #	Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET
0575	COMPUTER EQUIPMENT	0	0	0	0
0580	OTHER EQUIPMENT (+5,000)	19,955	172,573	8,000	8,000
	SUBTOTAL	164,198	183,132	98,000	308,000
	<b>TOTAL STATION 1 EXPENDITURES</b>	2,881,381	3,213,162	3,032,950	3,528,350

# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016 ACTUAL	District 2017 ACTUAL	Proposed District 2018 BUDGET	Proposed District 2019 BUDGET
Acct #      Account Description				

### **FIRE EXPENDITURES - Station 2 - Perch Lake**

<b>PERSONAL SERVICES (901-42-223-1)</b>					
0104	SALARIES - POC	36,071	38,000	38,000	30,000
0122	FICA CONTRIBUTION	2,236	2,400	2,400	2,000
0123	MEDICARE CONTRIBUTION	523	550	550	500
0125	FIRE RELIEF PENSION CONTRIBUTION	36,804	36,800	24,730	28,000
0151	WORKERS COMP INSURANCE	10,487	5,000	7,500	6,000
	SUBTOTAL	86,121	82,750	73,180	66,500
<b>SUPPLIES (901-42-223-2)</b>					
0200	OFFICE SUPPLIES	186	250	100	100
0205	CLEANING SUPPLIES	0	150	100	100
0210	DISPOSABLE SUPPLIES-MEDICAL	0	0	0	0
0212	MOTOR FUELS	0	5,000	0	0
0213	FIRE FIGHTING FOAM	0	200	200	0
0219	OTHER OPERATING SUPPLIES	92	500	250	250
0229	OTHER MAINTENANCE SUPPLIES	0	500	250	250
0240	SMALL TOOLS & MISC EQUIPMENT	461	1,000	1,000	500
0571	OFFICE EQUIPMENT/FURN (-5,000)	0	500	0	0
	SUBTOTAL	739	8,100	1,900	1,200
<b>OTHER SERVICES (901-42-223-3)</b>					
0305	MEDICAL & DENTAL FEES	613	3,600	3,600	4,000
0319	MISC EXPENSE	0	250	100	100
0321	TELEPHONE/INTERNET	1,643	1,500	1,700	1,800
0323	RADIO UNITS	27	2,000	3,000	1,000
0361	PROPERTY & LIABILITY INSURANCE	22,472	15,000	15,000	24,000
0381	ELECTRICAL SERVICE	4,727	5,000	5,000	3,000
0383	NATURAL GAS SERVICE	1,487	2,500	2,500	2,000
0401	BUILDING MAINTENANCE	929	2,000	1,000	1,000
0402	EQUIPMENT MAINTENANCE	506	1,000	1,000	1,000
0403	VEHICLE MAINTENANCE	4,550	5,000	5,000	5,000
0410	COMPUTER MAINTENANCE	643	250	250	250
0417	STATION UNIFORMS	891	4,000	4,000	1,000
0418	PERSONAL PROTECTIVE EQUIPMENT	2,088	4,000	4,000	4,000
0575	COMPUTER EQUIPMENT	566	500	500	250
	SUBTOTAL	41,142	46,600	46,650	48,400
<b>CAPITAL OUTLAY (901-42-223-4)</b>					
0520	BUILDINGS & STRUCTURES	0	0	0	0
0530	MOTOR VEHICLES	0	0	0	0
0575	COMPUTER EQUIPMENT	0	0	0	0
0580	OTHER EQUIPMENT (+5,000)	7,281	0	0	0
	SUBTOTAL	7,281	0	0	0
	<b>TOTAL STATION 2 EXPENDITURES</b>	135,283	137,450	121,730	116,100

# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016 ACTUAL	District 2017 ACTUAL	Proposed District 2018 BUDGET	Proposed District 2019 BUDGET
Acct #      Account Description				

### **FIRE EXPENDITURES - Station 3 - Scanlon**

#### **PERSONAL SERVICES (901-42-224-1)**

0104	SALARIES - POC	45,644	50,000	50,000	48,000
0122	FICA CONTRIBUTION	2,826	3,100	3,000	3,000
0123	MEDICARE CONTRIBUTION	661	750	750	750
0125	FIRE RELIEF PENSION CONTRIBUTION	36,804	36,800	38,215	40,000
0151	WORKERS COMP INSURANCE	9,632	4,000	7,000	8,000
	SUBTOTAL	95,567	94,650	98,965	99,750

#### **SUPPLIES (901-42-224-2)**

0200	OFFICE SUPPLIES	228	150	0	0
0205	CLEANING SUPPLIES	717	500	750	750
0210	DISPOSABLE SUPPLIES-MEDICAL	0	0	0	0
0212	MOTOR FUELS	34	5,000	0	0
0213	FIRE FIGHTING FOAM	0	200	200	0
0219	OTHER OPERATING SUPPLIES	50	500	500	500
0229	OTHER MAINTENANCE SUPPLIES	63	500	250	250
0240	SMALL TOOLS & MISC EQUIPMENT	504	500	500	500
0571	OFFICE EQUIPMENT/FURN (-5,000)	0	250	100	100
	SUBTOTAL	1,596	7,600	2,300	2,100

#### **OTHER SERVICES (901-42-224-3)**

0305	MEDICAL & DENTAL FEES	534	5,000	4,500	4,500
0319	MISC EXPENSE	64	250	250	250
0321	TELEPHONE/INTERNET	0	0	0	0
0323	RADIO UNITS	2,341	2,500	3,000	1,000
0361	PROPERTY & LIABILITY INSURANCE	20,994	12,000	12,250	20,000
0381	ELECTRICAL SERVICE	2,038	2,500	2,500	2,000
0382	WATER & SEWER SERVICE	2,527	500	2,500	3,000
0383	NATURAL GAS SERVICE	3,200	4,000	3,500	3,000
0401	BUILDING MAINTENANCE	525	1,000	1,000	1,000
0402	EQUIPMENT MAINTENANCE	592	1,000	1,000	1,000
0403	VEHICLE MAINTENANCE	2,687	5,000	5,000	5,000
0410	COMPUTER MAINTENANCE	0	250	250	250
0417	STATION UNIFORMS	1,263	4,000	4,000	2,000
0418	PERSONAL PROTECTIVE EQUIPMENT	2,372	4,000	6,000	6,000
0575	COMPUTER EQUIPMENT	108	500	250	250
	SUBTOTAL	39,245	42,500	46,000	49,250

#### **CAPITAL OUTLAY (901-42-224-4)**

0520	BUILDINGS & STRUCTURES	0	0	0	0
0530	MOTOR VEHICLES	0	0	0	0
0575	COMPUTER EQUIPMENT	0	0	0	0
0580	OTHER EQUIPMENT (+5,000)	11,649	0	0	0
	SUBTOTAL	11,649	0	0	0

#### **TOTAL STATION 3 EXPENDITURES**

	148,057	144,750	147,265	151,100
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# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #      Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET

### FIRE EXPENDITURES - Stations 4 & 5 - Brevator

#### PERSONAL SERVICES (901-42-224-1)

0104	SALARIES - POC		30,000	15,000
0122	FICA CONTRIBUTION		2,000	1,000
0123	MEDICARE CONTRIBUTION		450	250
0125	FIRE RELIEF PENSION CONTRIBUTION		17,980	12,000
0151	WORKERS COMP INSURANCE		6,000	4,000
	SUBTOTAL		56,430	32,250
		0	0	

#### SUPPLIES (901-42-224-2)

0200	OFFICE SUPPLIES		100	100
0205	CLEANING SUPPLIES		500	500
0210	DISPOSABLE SUPPLIES-MEDICAL		0	0
0212	MOTOR FUELS		0	0
0213	FIRE FIGHTING FOAM		200	0
0219	OTHER OPERATING SUPPLIES		500	500
0229	OTHER MAINTENANCE SUPPLIES		500	500
0240	SMALL TOOLS & MISC EQUIPMENT		5,000	1,000
0571	OFFICE EQUIPMENT/FURN (-5,000)		500	500
	SUBTOTAL		7,300	3,100
		0	0	

#### OTHER SERVICES (901-42-224-3)

0305	MEDICAL & DENTAL FEES		3,600	2,500
0319	MISC EXPENSE		250	250
0321	TELEPHONE/INTERNET		1,000	800
0323	RADIO UNITS		3,000	1,000
0361	PROPERTY & LIABILITY INSURANCE		6,000	6,000
0381	ELECTRICAL SERVICE		1,250	1,250
0382	WATER & SEWER SERVICE		0	0
0383	NATURAL GAS SERVICE		3,000	3,000
0401	BUILDING MAINTENANCE		5,000	5,000
0402	EQUIPMENT MAINTENANCE		2,500	1,000
0403	VEHICLE MAINTENANCE		5,000	5,000
0410	COMPUTER MAINTENANCE		250	250
0417	STATION UNIFORMS		4,000	2,000
0418	PERSONAL PROTECTIVE EQUIPMENT		8,000	8,000
0575	COMPUTER EQUIPMENT		1,000	1,000
	SUBTOTAL		43,850	37,050
		0	0	

#### CAPITAL OUTLAY (901-42-224-4)

0520	BUILDINGS & STRUCTURES		0	0
0530	MOTOR VEHICLES		0	0
0575	COMPUTER EQUIPMENT		0	0
0580	OTHER EQUIPMENT (+5,000)		0	0
	SUBTOTAL		0	0
		0	0	

#### TOTAL STATIONS 4 & 5 EXPENDITURES

		0	0	107,580	72,400
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# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #      Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET

### TRAINING & SAFETY

#### **PERSONAL SERVICES (901-42-229-1)**

0101	SALARIES - FT - REGULAR	1,759	79,600	60,000	62,000
0104	PUBLIC EDUCATION COORDINATOR	31,846	37,000	44,000	46,500
0109	TRAINING INSTRUCTORS	1,733	12,000	10,000	10,000
0115	MEDICAL DIRECTOR PAY	7,200	7,500	7,500	7,500
0121	PERA CONTRIBUTION	3,060	13,500	14,500	14,500
0122	FICA CONTRIBUTION	2,637	3,500	3,900	4,000
0123	MEDICARE CONTRIBUTION	617	2,000	2,000	2,000
0124	VEBA CONTRIBUTION	0	2,000	2,000	2,000
0131	HEALTH INSURANCE	10	8,750	8,500	9,000
0132	DENTAL INSURANCE	1	750	750	750
0133	LIFE INSURANCE	0	150	150	150
0151	WORKERS COMP INSURANCE	0	3,000	3,000	2,000
	SUBTOTAL	48,863	169,750	156,300	160,400

#### **SUPPLIES (901-42-229-2)**

0200	OFFICE SUPPLIES	0	750	250	250
0219	OTHER OPERATING SUPPLIES	13	500	500	500
0229	OTHER MAINTENANCE SUPPLIES	3	500	500	500
0240	SMALL TOOLS & MISC EQUIPMENT	0	2,000	2,000	2,000
0335	TEXTBOOKS & EDUCATIONAL MATERIA	8,993	7,000	7,000	7,000
0337	TRAINING SUPPLIES & EQUIPMENT	2,995	5,000	10,000	10,000
0338	PUBLIC EDUCATION MATERIAL	13,780	15,000	15,000	15,000
0571	OFFICE EQUIPMENT/FURN (-5,000)	0	1,000	500	500
	SUBTOTAL	25,784	31,750	35,750	35,750

#### **OTHER SERVICES (901-42-229-3)**

0319	MISCELLANEOUS	226	250	250	250
0331	TRAVEL/SCHOOL/CONFERENCE	5,621	5,000	5,000	5,000
0332	FIRE TRAINING CLASSES		8,000	5,000	5,000
0333	EMS TRAINING CLASSES	10,256	8,000	5,000	5,000
0334	INSTRUCTOR FEES	250	2,500	1,500	0
0336	CERTIFICATIONS / LICENCES	1,508	5,000	4,000	4,000
0337	TRNG TRAILER COSTS (FUEL/PPE)	6,216	6,000	6,000	6,000
0338	SAFETY / REHAB	349	3,000	3,000	3,000
0361	PROPERTY & LIABILITY INSURANCE	8,564	3,000	5,250	5,250
0401	BUILDING MAINTENANCE	0	2,500	0	0
	SUBTOTAL	32,990	43,250	35,000	33,500

#### **TOTAL TRAINING & SAFETY EXPENDITUF**

	107,637	244,750	227,050	229,650
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# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901	District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #      Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET

### ADMIN. & DISTRICT ACTIVITIES

#### **PERSONAL SERVICES (901-42-230-1)**

0101	SALARIES - FT - REGULAR	130,582	139,400	143,050	147,500
0103	SALARIES - FT - 1.5	732	0	0	1,500
0117	FAST/CERT	0	0	0	0
0121	PERA CONTRIBUTION	17,669	22,600	23,000	25,000
0122	FICA CONTRIBUTION	2,238	2,750	2,750	3,100
0123	MEDICARE CONTRIBUTION	1,723	2,900	2,000	2,200
0124	VEBA CONTRIBUTION	4,000	4,000	4,000	4,000
0131	HEALTH INSURANCE	21,036	17,500	20,000	20,000
0132	DENTAL INSURANCE	1,602	1,500	1,700	1,700
0133	LIFE INSURANCE	227	300	250	300
0151	WORKERS COMP INSURANCE	4,220	4,000	4,000	2,000
	SUBTOTAL	184,029	194,950	200,750	207,300

#### **SUPPLIES (901-42-230-2)**

0200	OFFICE SUPPLIES	960	1,500	1,500	1,500
0219	OTHER OPERATING SUPPLIES	110	500	500	500
0229	OTHER MAINTENANCE SUPPLIES	186	200	250	250
0571	OFFICE EQUIPMENT/FURN (-5,000)	0	1,000	500	500
	SUBTOTAL	1,256	3,200	2,750	2,750

#### **OTHER SERVICES (901-42-230-3)**

0301	AUDITING/ACCOUNTING SERVICES	19,100	19,500	19,500	20,000
0302	FIRE INVESTIGATION	0	1,000	1,000	1,000
0303	ARSON K-9	1,039	5,000	4,500	4,500
0304	LEGAL	4,359	4,000	6,450	6,450
0306	CONTRACTED BILLING	65,151	62,000	65,000	65,000
0307	ADMINISTRATIVE SERVICES	10,000	10,000	10,000	10,000
0309	FLEET SERVICES	20,000	20,000	20,000	20,000
0313	CONSULTING FEES	0	0	0	0
0315	IT SERVICES	0	9,000	9,000	9,000
0318	EMPLOYEE ASSISTANCE PROGRAM	0	1,000	1,000	1,000
0319	MISCELLANEOUS	1,258	1,000	1,000	1,000
0321	TELEPHONE/INTERNET	6,978	5,000	6,500	6,500
0322	POSTAGE & SHIPPING	638	500	650	650
0361	PROPERTY & LIABILITY	2,710	0	1,250	1,250
0384	DISTRICT GARBAGE SERVICE	0	600	500	500
0401	BUILDING MAINTENANCE	1,394	500	500	500
0404	MACH & EQUIP MAINT - CONTRACT	4,904	5,000	10,000	10,000
0410	COMPUTER FEES (EMS Bridge/ MDC Fe	16,889	10,000	10,000	10,000
0425	WEBSITE MAINTENANCE	192	4,000	4,000	4,000
0433	DUES & SUBSCRIPTIONS	3,700	4,000	4,000	6,000
0500	CAPITAL RESERVE	0	0	3,600	500
0501	EMPLOYEE BENEFITS RESERVE	0	3,000	3,000	3,000
0502	CASH FLOW RESERVE	0	50,000	50,000	50,000
0575	COMPUTER EQUIPMENT	1,732	2,000	2,000	2,000
0576	COMPUTER SOFTWARE (IAR/ Target So	1,850	7,000	7,000	8,000
0633	2% MN CARE TAX	19,615	19,000	20,000	19,000
0699	RECRUITMENT & RETENTION	672	4,000	3,000	3,000
0700	DISTRICT PR & PROGRAMS	3,994	5,000	4,000	5,000
	SUBTOTAL	186,175	252,100	267,450	267,850

#### **CAPITAL OUTLAY (901-42-230-4)**

0520	BUILDINGS & STRUCTURES	0	100,000	100,000	0
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## CLOQUET AREA FIRE DISTRICT 2019 Operating Budget - Proposed

FUND 901		District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #	Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET
0530	MOTOR VEHICLES	0	40,000	0	0
0557	BUSH FOUNDATION	99,078	0	0	0
0575	COMPUTER EQUIPMENT	0	0	50,000	0
0555	FEDERAL GRANTS	26,334	10,000	10,000	381,500
0580	OTHER EQUIPMENT (+5,000)	0	40,000	8,000	0
	SUBTOTAL	125,412	190,000	168,000	381,500
	<b>DEPRECIATION EXPENSE (901-42-230-8)</b>				
0399	DEPRECIATION EXPENSE	0	0	0	0
	<b>TOTAL ADMIN. &amp; DISTRICT ACTIVITES</b>	496,872	640,250	638,950	859,400

# CLOQUET AREA FIRE DISTRICT

## 2019 Operating Budget - Proposed

FUND 901		District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #	Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET
<b>TOTAL EXPENDITURES</b>		3,769,230	4,380,362	4,275,525	4,957,000
<b>REVENUES</b>					
<b>TAXES (901-31-310-0)</b>					
1010	CURRENT PROPERTY TAXES - FIRE DIST	1,790,530	1,893,500	2,156,100	2,386,075
1010	CURRENT PROPERTY TAXES - AMB PSA	285,417	294,000	308,000	339,000
1020	DELINQUENT PROPERTY TAXES	57,237	0	50,000	55,000
	SUBTOTAL	2,133,184	2,187,500	2,514,100	2,780,075
<b>LICENSES AND PERMITS (101-32-322-0)</b>					
2290	OTHER PERMITS	0	0	0	0
	SUBTOTAL	0	0	0	0
<b>INTERGOVERNMENTAL (901-33-331, 334 &amp; 336-0)</b>					
3160	FEDERAL GRANTS-OTHER	25,000	0	0	366,500
3402	MARKET VALUE HOMESTEAD CREDIT	1,101	0	0	0
3440	STATE FIRE RELIEF	73,607	74,000	80,925	80,925
3490	STATE GRANTS - OTHER	5,000	16,000	15,000	15,000
3680	COUNTY GRANTS - AMBULANCE	18,077	15,000	15,000	15,000
3690	COUNTY GRANTS - OTHER	0	0		
3692	TOWNSHIP CONTRIBUTIONS - AMBULAN	0	0		
3693	TOWNSHIP CONTRIBUTIONS - OTHER	0	0		
3694	CITY CONTRIBUTIONS - AMBULANCE	0	0		
3695	CITY CONTRIBUTIONS - OTHER	0	0		
3696	OTHER GOVT. CONTRIBUTIONS (FDL)	51,603	60,000	65,000	65,000
	SUBTOTAL	174,388	165,000	175,925	542,425
<b>CHARGES FOR SERVICES (901-34-341 &amp; 342)</b>					
4202	FIRE - VEHICLE FIRE CHARGES	5,172	6,000	6,000	6,000
4205	AMBULANCE REVENUE	1,449,495	1,472,000	1,500,000	1,550,000
4206	CREDIT BUREAU COLLECTIONS	34,695	32,000	32,000	40,000
4220	DNR WILDFIRE FEES	700	1,500	1,500	1,500
4230	ARSON K-9 FEES	0	5,000	5,000	5,000
4240	TRAINING FEES	28,663	15,000	15,000	15,000
4250	LABOR, EQUIP & MAT-FIRE DISTR	2,120	1,000	1,000	1,000
4290	OTHER FEES	1,515	4,000	4,000	4,000
	SUBTOTAL	1,522,360	1,536,500	1,564,500	1,622,500
<b>FINES &amp; FORFEITS (901-35-351-0)</b>					
5190	OTHER FINES	0	0	0	0
	SUBTOTAL	0	0	0	0
<b>MISCELLANEOUS (901-36-362-0)</b>					
6210	INTEREST EARNINGS	15,700	19,000	19,000	10,000
6230	CONTRIBUTIONS & DONATIONS	1,500	0	0	0
6250	MISCELLANEOUS REFUNDS	0	0	0	0
6251	WORK COMPENSATION REFUNDS	0	0	0	0
6252	LIABILITY INSURANCE REFUNDS	0	0	0	0
6290	OTHER REVENUE	4,757	13,000	0	0
	SUBTOTAL	21,957	32,000	19,000	10,000
<b>TOTAL REVENUES</b>		3,851,889	3,921,000	4,273,525	4,955,000

# CLOQUET AREA FIRE DISTRICT 2019 Operating Budget - Proposed

FUND 901	District 2016	District 2017	Proposed District 2018	Proposed District 2019
Acct #      Account Description	ACTUAL	ACTUAL	BUDGET	BUDGET

## OTHER FINANCING SOURCES

<b>OTHER (901-39-391-0)</b>					
9110	SALE OF FIXED ASSETS	2,968	0	2,000	2,000
9229	TRANSFER FROM CITY OF CLOQUET	0	0	0	0
	OTHER	0	0	0	0
	SUBTOTAL	2,968	0	2,000	2,000
<b>TOTAL FINANCING SOURCES</b>		2,968	0	2,000	2,000
<b>TOTAL REV &amp; FINANCING SOURCES</b>		3,854,857	3,921,000	4,275,525	4,957,000
<b>TOTAL REV &amp; FINANCING SOURCES</b>		3,854,857	3,921,000	4,275,525	4,957,000
<b>TOTAL FIRE EXPENDITURES</b>		3,769,230	4,380,362	4,275,525	4,957,000
<b>NET OPERATIONS</b>		85,627.20	(459,362.00)	0	0

## CLOQUET CITY COUNCIL WORK SESSION

Thursday, November 8, 2018

DRAFT

**Councilors Present:** Bjerkness, Kolodge, Langley, Maki, Rock, Wyman, Mayor Hallback

**Absent:** None

**Staff:** Barclay, Klassen, Peterson, Anderson, Palmer

### 2019 Final Budget Discussion

Mr. Reeves discussed final updates being made on the proposed 2019 budget based on current year to date expenditures and other minor changes. The updated budget will be reviewed at the November 20<sup>th</sup> Work Session and adopted at the December 4<sup>th</sup> Council meeting.

As part of the budget discussion, Debra Shaff and Bob Nelson of the Cloquet HRA were present to explain their request for support of City funding in the amount of \$35,000 in 2019 or for levy authority in future years for its Section 8/HCV program. Ms. Shaff reviewed their 2018 budget and stated that rising administrative costs have necessitated the need to secure additional funding to continue providing housing subsidies throughout the City of Cloquet and Carlton County.

Review of the different programs that are offered by the HRA was given and discussion followed regarding what Administrative Fees include; what the county's position is; and what other options are being considered to help alleviate their funding gap.

Mr. Reeves stated his reasons for not supporting this request, Council agreed with him.

Update of budget items removed for Council consideration:

- Council agreed to add back the Baseball Field Scoreboards at Braun Park for a one-time cost of \$50,000
- Agreement to revisit the CGMC membership in 2020
- Agreement to wait for the Veterans Park electrical upgrade of \$39,000 to see if legislation passes the amended request to use sales tax dollars

Mr. Reeves discussed Council interest in franchise fees for electric and natural gas services. Fees would go into the street utility fund to assist in funding future street projects. Mr. Reeves recommends the flat rate option of charging each residential or commercial/industrial user a flat amount each month. Councilors were asked to bring any questions/concerns to the November 20<sup>th</sup> Work Session and to provide direction on if he should start the process.

There being no further business, the meeting adjourned at 6:55 p.m.

Respectfully Submitted,

Aaron Reeves  
City Administrator

DRAFT

Regular Meeting

Roll Call

Councilors Present: Bjerkness, Kolodge, Langley, Maki, Rock Wyman, Mayor Hallback

Councilors Absent: None

Pledge of Allegiance

**AGENDA**

**MOTION:** Councilor Rock moved and Councilor Maki seconded the motion to approve the November 8, 2018 agenda. The motion carried unanimously (7-0).

**MINUTES**

**MOTION:** Councilor Wyman moved and Councilor Langley seconded the motion to approve the minutes of the Work Session and Regular Meeting of October 16, 2018. The motion carried unanimously (7-0).

**CONSENT AGENDA**

**MOTION:** Councilor Bjerkness moved and Councilor Kolodge seconded the motion to adopt the Consent Agenda of November 2, 2018 approving the necessary motions and resolutions. The motion carried unanimously (7-0).

- a. Resolution No. 18-75, Authorizing the Payment of Bills and Payroll
- b. Resolution No. 18-77, Setting a Public Hearing Date on the Proposed 2019 Sewer Extension Along Washington Avenue from 14<sup>th</sup> Street to 12<sup>th</sup> Street
- c. Senior Center Site Lease Agreement Update
- d. Acceptance of Monetary K9 Donation

**PUBLIC HEARINGS**

There were none.

**PRESENTATIONS**

Mayor's Proclamation, Small Business Saturday, November 24, 2018.

**CERTIFYING 2018 MUNICIPAL GENERAL ELECTION CANVASS**

**MOTION:** Councilor Kolodge moved and Councilor Bjerkness seconded the motion to adopt **RESOLUTION NO. 18-76, A RESOLUTION CERTIFYING 2018 MUNICIPAL GENERAL ELECTION CANVASS.** The motion carried unanimously (7-0).

**WHEREAS,** The City of Cloquet held its General Election on November 6, 2018; and

**WHEREAS,** Minnesota Statute 205.185, Subd. 3, requires that the City canvass the results of the election between the third and tenth day after a general election; and

**WHEREAS,** The Council met on November 8, 2018, as a canvassing board to review the results of the election.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA,** That the City Council declare the results of election as identified on the following canvassing list and authorize the City Administrator to notify Carlton County of the results of said canvass.

Total Votes Cast .....	5,156
For Mayor:	
Roger Maki.....	3,331
David Hallback.....	1,796
For Councilor Ward 1:	
Bun Carlson.....	631
Jeff Rock .....	399

For Councilor Ward 2:	Sheila Lamb .....	416
	Dave Bjerkness.....	377
For Councilor Ward 3:	Dakota C. Koski .....	461
	Richard L. Colsen.....	364
For Councilor Ward At Large:	Lara Wilkinson.....	2,881
	Les Riess .....	2,032

#### **POLICE DEPARTMENT SUPERVISORS UNIONIZATION**

**MOTION:** Councilor Kolodge moved and Councilor Maki seconded the motion to table the Police Department Supervisor Unionization until January 2019 when the newly elected City Councilors begin their terms. The motion failed (3-4), Mayor Hallback, Councilors Langley, Rock and Wyman opposed.

**MOTION:** Councilor Wyman moved and Councilor Rock seconded the motion to approve the Joint Request for Certification with Teamsters, Local 320 for representation of the Police Chief and Commanders, and card check to determine whether a majority of the employees in the proposed bargaining unit approve being represented by Teamsters, Local 320. The motion carried (4-3), Councilors Bjerkness, Kolodge and Maki opposed.

#### **PUBLIC COMMENTS**

- Phyllis Marklay, 1209 Dewey Avenue, addressed the Council on behalf of the Seniors who use the Sr. Center, presenting a petition in support of relocating the Sr. Center to the new library addition.

#### **COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES**

Mayor Hallback congratulated the newly elected Councilors and wished the new Council the best of luck.

On a motion duly carried by a unanimous yeas vote of all members present on roll call, the Council adjourned.

---

Aaron Reeves, City Administrator





**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet, MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
email: admin@ci.cloquet.mn.us  
www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Nancy Klassen, Finance Director *NJK*  
Reviewed/Approved by: Aaron Reeves, City Administrator  
Date: November 15, 2018

---

**ITEM DESCRIPTION:** Payment of Bills

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**Proposed Action**

Staff recommends the Council move to adopt **RESOLUTION NO. 18-80, A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS.**

**Background/Overview**

Statutory Cities are required to have most claims authorized by the city council.

**Policy Objectives**

MN State Statute sections 412.271, Claims and disbursements for Statutory Cities.

**Financial/Budget/Grant Considerations**

See resolution for amounts charged to each individual fund.

**Advisory Committee/Commission Action**

Not applicable.

**Supporting Documents Attached**

- a. Resolution Authorizing the Payment of Bills.
- b. Vendor Summary Report.
- c. Department Summary Report.

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-80**

**A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS**

**WHEREAS,** The City has various bills each month that require payment.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA,** That the bills be paid and charged to the following funds:

101	General Fund	\$	125,948.64
206	Small Cities Development Projects		1,047.50
207	Community Development Operating		1,153.54
224	Public Facilities Planning		5,000.00
226	Park Fund		8,553.09
228	Senior Center		2,011.60
231	Public Works Reserve		31,180.47
403	Revolving Capital Projects		2,682.30
405	City Sales Tax Projects		5,203.30
600	Water - Lake Superior Waterline		109,172.49
601	Water - In Town System		320,645.85
602	Sewer Fund		4,572.84
605	Stormwater Fund		17.53
614	CAT-7		64.71
	<b>TOTAL:</b>	<b>\$</b>	<b>617,253.86</b>

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 20TH DAY OF NOVEMBER, 2018.**

ATTEST:

\_\_\_\_\_  
Dave Hallback, Mayor

\_\_\_\_\_  
Aaron Reeves, City Administrator

DATE: 11/15/2018  
TIME: 12:32:18  
ID: AP442000.WOW

CITY OF CLOQUET  
VENDOR SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
110850	ABCO PLUMBING & HEATING, INC	1,065.00	963.00
110950	AARDVARK SEPTIC PUMPING	7,305.00	640.00
111350	LEXISNEXIS RISK DATA MNGMT INC	516.00	50.00
121350	ASPEN MILLS	7,886.71	1,147.22
122000	A T & T MOBILITY	5,627.19	383.90
123050	B & B MARKET	429.57	160.00
125700	BEST OIL COMPANY	109,108.94	16,783.37
126980	BLOTTI CONTRACTING	8,868.60	2,956.20
128900	BROCK WHITE	3,111.18	1,037.00
134000	CARLTON COUNTY HIGHWAY DEPT	9,316.33	153.06
137310	CENTURY LINK	25,590.33	239.50
139025	CINTAS	2,983.13	126.49
139030	CINTAS CORPORATION NO 2	3,906.13	489.00
139800	CLOQUET AREA CHAMBER OF COMMER	48,610.67	5,933.70
145300	COMMUNITY PRINTING	8,842.70	35.00
145500	COMPENSATION CONSULTANTS, LTD	3,000.00	225.00
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	612.54
148800	CROW GOEBEL VETERINARY CLINIC	520.66	63.00
150100	D A L C O	10,399.06	108.48
156400	CITY OF DULUTH COMFORTSYSTEMS	786.35	78.53
158000	DULUTH/SUPERIOR COMMUNICATIONS	6,325.75	645.00
161850	EMERGENCY AUTOMOTIVE TECH, INC	8,031.49	11,294.47
162640	ENVENTIS TELECOM INC	473.11	47.95
165375	FERGUSON WATERWORKS #2516	34,133.89	357.98
165475	THE FIG TREE LLC	4,443.17	1,613.30
166750	FIRST HOSPITAL LABORATORIES IN	749.50	201.40
167875	FLAHERTY & HOOD, P.A.	22,887.25	1,450.00
169650	FORUM COMMUNICATIONS COMPANY	7,830.45	140.25
175950	GRAPHIC TECHNOLOGIES	6,723.57	235.00
179340	HAGENS GLASS & PAINT	19,100.70	711.00
180500	HAWKINS INC	56,093.08	3,649.72
190175	JMF CONSTRUCTION INC.	50,963.70	2,682.30
190700	JAMAR COMPANY	16,285.76	1,341.77
197800	L & M SUPPLY CO	17,868.54	1,276.43
198750	LAKE SUPERIOR CLEANERS	92.00	40.40
201900	LAW ENFORCEMENT TARGETS INC	600.00	65.54
205050	LOFFLER COMPANIES INC	353.82	63.28
207047	MAGNEY CONSTRUCTION	980,970.53	267,029.39
210450	MEDIACOM LLC.	2,381.66	16.76
211300	MENARDS	474.38	346.67
211400	MENARDS	6,449.81	185.56
213875	MIDWEST TAPE	419.99	83.98
219080	MINNESOTA DEPT OF AGRICULTURE	0.00	25.00
222275	MN PEIP	459,217.58	46,717.10

DATE: 11/15/2018  
TIME: 12:32:18  
ID: AP442000.WOW

CITY OF CLOQUET  
VENDOR SUMMARY REPORT

PAGE: 2

INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
222600	MN POLLUTION CONTROL AGENCY	379.00	23.00
225975	MATHY CONSTRUCTION COMPANY	1,409.64	1,333.52
227100	MORTON SALT	19,615.37	2,155.15
231400	NEENAH FOUNDRY COMPANY	16,507.68	2,638.21
241950	PACE ANALYTICAL SERVICES INC	4,203.30	318.75
242850	PARSONS ELECTRIC LLC	20,686.88	909.94
243530	PER MAR SECURITY SERVICES	1,133.50	3,590.00
251600	RAMSLAND & VIGEN, INC.	11,900.00	5,000.00
258200	RUDY GASSERT YETKA	172,414.15	14,838.00
261800	SEH	651,127.87	32,209.82
267000	ST LOUIS COUNTY SHERIFF	3,886.25	3,886.25
268800	STOCK TIRE COMPANY	7,392.90	5,406.08
269125	STEVE STRACEK	0.00	13.41
270200	SUPERIOR COMPUTER PRODUCTS INC	74,562.49	30,983.25
271325	NANCY GETCHELL	6,428.15	399.35
278600	TWIN PORT MAILING	40,311.67	3,903.76
283700	USA BLUEBOOK	5,351.01	709.02
286900	W L S S D	880,739.80	34,291.20
R0001284	OFFICE OF MN IT SERVICES	887.00	55.40
R0001339	CAMPION BARROW & ASSOCIATES	850.00	425.00
R0001548	MINIT MART 557	1,176.00	88.00
R0001573	STRAIGHTLINE SURVEYING INC	950.00	500.00
R0001634	M C F O A	35.00	45.00
R0001691	JESSE KENNEBECK	0.00	15.00
R0001692	THOMAS LINDEVIG	0.00	14.39
TOTAL ALL VENDORS:			516,156.74

GENERAL ELECTION  
NOVEMBER 6, 2018

ELECTION JUDGE HOURS

Ward 1	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	101-41-141-3-0307	
Brenda Alanen	R0001380	19	\$14.00	\$266.00	10	\$0.545	\$5.45	\$271.45
Ronald Anderson	R0000326	17	\$14.00	\$238.00	10	\$0.545	\$5.45	\$243.45
Patrick Began	R0000866	15	\$12.00	\$180.00	0	\$0.545	\$0.00	\$180.00
Kathleen Erickson	R0000669	15	\$12.00	\$180.00	8	\$0.545	\$4.36	\$184.36
Deanne Szumowski	R0001381	15	\$12.00	\$180.00	8	\$0.545	\$4.36	\$184.36
Patricia George	R0001650	15	\$12.00	\$180.00	10	\$0.545	\$5.45	\$185.45
Chris Conner	R0001382	15	\$12.00	\$180.00	0	\$0.545	\$0.00	\$180.00
Goldie Demers	R0001424	15	\$12.00	\$180.00	7	\$0.545	\$3.82	\$183.82
Arnela Southworth	R0000081	10	\$12.00	\$120.00		\$0.545	\$0.00	\$120.00
Kelly Lorenz	R0001681	9	\$12.00	\$108.00		\$0.545	\$0.00	\$108.00
		145			53			\$1,840.89


Ward 2	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	1202 Prospect Ave Cloquet, MN 55720	
William Schlenvogt	260600	18	\$14.00	\$252.00	14	\$0.545	\$7.63	\$259.63
James Citrowski	R0000867	17.5	\$14.00	\$245.00	14	\$0.545	\$7.63	\$252.63
Suzanne Erickson	R0000294	15.75	\$12.00	\$189.00	0	\$0.545	\$0.00	\$189.00
Joseph Lee Peterson	R0000515	15.75	\$12.00	\$189.00	0	\$0.545	\$0.00	\$189.00
Irene Rudnicki	R0000868	15.75	\$12.00	\$189.00	19	\$0.545	\$10.36	\$199.36
Paul Holm	R0001428	15.75	\$12.00	\$189.00	10	\$0.545	\$5.45	\$194.45
Janet Johnson	R0000516	10	\$12.00	\$120.00	43	\$0.545	\$23.44	\$143.44
Vanna Kelley	R0001682	10	\$12.00	\$120.00	11.4	\$0.545	\$6.21	\$126.21
Julie Johanson	R0001651	7.75	\$12.00	\$93.00	5	\$0.545	\$2.73	\$95.73
Karen Dormanen	R0000672	7.75	\$12.00	\$93.00	10	\$0.545	\$5.45	\$98.45
		134			126.4			\$1,747.90

Ward 3	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	1105 Carlton Ave. Cloquet, MN 55720	
John Cavanaugh	R0000538	16	\$14.00	\$224.00	12	\$0.545	\$6.54	\$230.54
Jessica Loons	R0001378	16	\$14.00	\$224.00	12	\$0.545	\$6.54	\$230.54
Christina DeBlass	R0000325	15.5	\$12.00	\$186.00	2	\$0.545	\$1.09	\$187.09
Ann Stangland	R0001137	16.5	\$12.00	\$198.00	21	\$0.545	\$11.45	\$209.45
Cynthia Kilman	R0000870	15.5	\$12.00	\$186.00	3	\$0.545	\$1.64	\$187.64
Elmer Splett	R0001095	8	\$12.00	\$96.00	4	\$0.545	\$2.18	\$98.18
Carol Westberg	R0001098	8	\$12.00	\$96.00	4	\$0.545	\$2.18	\$98.18
Joyce Fritsinger	R0000297	7.5	\$12.00	\$90.00	8	\$0.545	\$4.36	\$94.36
Carole Balow	R0001652	7.5	\$12.00	\$90.00	12	\$0.545	\$6.54	\$96.54
Jared Leslie	R0001683	8	\$12.00	\$96.00	0.5	\$0.545	\$0.27	\$96.27
		118.5			78.5			\$1,528.79

Ward 4	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	1575 Brummer Drive Cloquet, MN 55720	
Denise Hammond	R0000299	16.25	\$14.00	\$227.50	14	\$0.545	\$7.63	\$235.13
Bonnie Welman	R0001653	16.25	\$14.00	\$227.50	6	\$0.545	\$3.27	\$230.77
Crysta Reeves	R0001371	15	\$12.00	\$180.00	2.2	\$0.545	\$1.20	\$181.20
Dan Anderson	R0001372	16	\$12.00	\$192.00	23	\$0.545	\$12.54	\$204.54
Yvonne Bastien	R0001373	15	\$12.00	\$180.00	4	\$0.545	\$2.18	\$182.18
Shane Camozzi	R0001374	15	\$12.00	\$180.00	1	\$0.545	\$0.55	\$180.55
Lisa Tilney	R0001368	15	\$12.00	\$180.00	1	\$0.545	\$0.55	\$180.55
Karen Alseth	R0001418	9	\$12.00	\$108.00	4	\$0.545	\$2.18	\$110.18
David Johanson	R0001654	7	\$12.00	\$84.00	1	\$0.545	\$0.55	\$84.55
Emma Wells	R0001684	9.5	\$12.00	\$114.00	2	\$0.545	\$1.09	\$115.09
		134			58.2			\$1,704.74

Ward 5 - 1	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	416 Arch St Cloquet, MN 55720	
Vicki Oberstar	R0001375	17.75	\$14.00	\$248.50	30	\$0.545	\$16.35	\$264.85
Elise Rieschl	R0000673	17.75	\$14.00	\$248.50	4	\$0.545	\$2.18	\$250.68
Bonita Kloskowski	R0000089	12.75	\$12.00	\$153.00	2	\$0.545	\$1.09	\$154.09
Karen Smith	R0001376	15.75	\$12.00	\$189.00	3	\$0.545	\$1.64	\$190.64
Judy Vukelich	R0000062	15.75	\$12.00	\$189.00	3	\$0.545	\$1.64	\$190.64
Carol Perttula	R0001425	15.75	\$12.00	\$189.00	0.5	\$0.545	\$0.27	\$189.27
Bruce Walker	R0001426	17.75	\$12.00	\$213.00	23	\$0.545	\$12.54	\$225.54
Woodrow Waugh	R0001685	10.5	\$12.00	\$126.00	2	\$0.545	\$1.09	\$127.09
		123.75			67.5			\$1,592.80

Ward 5 - 2	Vendor #	Hours	Hourly Rate	Mileage	Mileage Rate	Amount Due	1661 Reservation Road Cloquet, MN 55720 844 Mission Rd Cloquet, MN 55720	
Carla Houle	R0000302	16.5	\$14.00	\$231.00	0	\$0.545	\$0.00	\$231.00
Alice Anderson	117410	16.5	\$14.00	\$231.00	45	\$0.545	\$24.53	\$255.53
Eileen Christopherson	R0001377	7	\$12.00	\$84.00	16.5	\$0.545	\$8.99	\$92.99
Mary Vajdl	R0001655	15	\$12.00	\$180.00	4	\$0.545	\$2.18	\$182.18
Russell Schmidt	R0000900	8	\$12.00	\$96.00	15	\$0.545	\$8.18	\$104.18
Jason Goward	R0001686	17	\$12.00	\$204.00	0	\$0.545	\$0.00	\$204.00
Alexandra Cooke	R0001687	10	\$12.00	\$120.00	36	\$0.545	\$19.62	\$139.62
		90			116.5			\$1,209.50
Totals		745.25						\$9,624.62

<b>APPROVED FOR PAYMENT</b>	
Aaron Reeves	

Allowed by resolution of Common Council

Passed \_\_\_\_\_

City of Cloquet  
Vendor Summary Report Reconciliation  
Invoices Due On/Before 11/20/2018

Total	516,156.74
<b>Less:</b>	
Library	(112.88)
Cloquet Area Fire District	<u>(4,495.20)</u>
Total City Bills	511,548.66
<b>Less:</b>	
Payroll benefits	(46,717.10)
<b>Plus:</b>	
State Bldg surcharge	3,982.28
Election judges	9,624.62
Credit card/PSN fees	2,029.76
MN Sales Tax	1,474.17
MN Power auto pay	134,787.64
MN Energy auto pay	<u>523.83</u>
Total Bills	<u><u>617,253.86</u></u>

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
GENERAL FUND			
00			
222275	MN PEIP	459,217.58	46,717.10
			46,717.10
32	LICENSES & PERMITS		
286900	W L S S D	880,739.80	34,291.20
	LICENSES & PERMITS		34,291.20
41	GENERAL GOVERNMENT		
139025	CINTAS	2,983.13	35.12
139030	CINTAS CORPORATION NO 2	3,906.13	103.29
145300	COMMUNITY PRINTING	8,842.70	35.00
145500	COMPENSATION CONSULTANTS, LTD	3,000.00	225.00
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	306.28
150100	D A L C O	10,399.06	54.24
167875	FLAHERTY & HOOD, P.A.	22,887.25	253.75
169650	FORUM COMMUNICATIONS COMPANY	7,830.45	140.25
197800	L & M SUPPLY CO	17,868.54	86.82
242850	PARSONS ELECTRIC LLC	20,686.88	87.00
258200	RUDY GASSERT YETKA	172,414.15	12,169.50
270200	SUPERIOR COMPUTER PRODUCTS INC	74,562.49	3,929.00
278600	TWIN PORT MAILING	40,311.67	291.76
R0001634	M C F O A	35.00	45.00
	GENERAL GOVERNMENT		17,762.01
42	PUBLIC SAFETY		
111350	LEXISNEXIS RISK DATA MNGMT INC	516.00	50.00
121350	ASPEN MILLS	7,886.71	1,147.22
122000	A T & T MOBILITY	5,627.19	383.90
125700	BEST OIL COMPANY	109,108.94	3,403.92
139025	CINTAS	2,983.13	91.37
139030	CINTAS CORPORATION NO 2	3,906.13	167.85
148800	CROW GOEBEL VETERINARY CLINIC	520.66	63.00
150100	D A L C O	10,399.06	54.24
158000	DULUTH/SUPERIOR COMMUNICATIONS	6,325.75	645.00
166750	FIRST HOSPITAL LABORATORIES IN	749.50	51.25

INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
42	PUBLIC SAFETY		
167875	FLAHERTY & HOOD, P.A.	22,887.25	1,196.25
175950	GRAPHIC TECHNOLOGIES	6,723.57	150.00
190700	JAMAR COMPANY	16,285.76	670.89
197800	L & M SUPPLY CO	17,868.54	133.88
198750	LAKE SUPERIOR CLEANERS	92.00	40.40
201900	LAW ENFORCEMENT TARGETS INC	600.00	65.54
211400	MENARDS	6,449.81	185.56
242850	PARSONS ELECTRIC LLC	20,686.88	130.50
258200	RUDY GASSERT YETKA	172,414.15	157.50
267000	ST LOUIS COUNTY SHERIFF	3,886.25	3,886.25
268800	STOCK TIRE COMPANY	7,392.90	3,434.28
270200	SUPERIOR COMPUTER PRODUCTS INC	74,562.49	7,168.25
271325	NANCY GETCHELL	6,428.15	399.35
278600	TWIN PORT MAILING	40,311.67	83.36
R0001284	OFFICE OF MN IT SERVICES	887.00	55.40
R0001339	CAMPION BARROW & ASSOCIATES	850.00	425.00
R0001548	MINIT MART 557	1,176.00	88.00
	PUBLIC SAFETY		24,328.16
43	PUBLIC WORKS		
123050	B & B MARKET	429.57	160.00
125700	BEST OIL COMPANY	109,108.94	4,434.57
126980	BLOTTI CONTRACTING	8,868.60	2,956.20
134000	CARLTON COUNTY HIGHWAY DEPT	9,316.33	153.06
139030	CINTAS CORPORATION NO 2	3,906.13	71.90
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	43.75
197800	L & M SUPPLY CO	17,868.54	430.40
205050	LOFFLER COMPANIES INC	353.82	12.66
211300	MENARDS	474.38	346.67
219080	MINNESOTA DEPT OF AGRICULTURE		25.00
225975	MATHY CONSTRUCTION COMPANY	1,409.64	1,333.52
227100	MORTON SALT	19,615.37	2,155.15
242850	PARSONS ELECTRIC LLC	20,686.88	692.44
268800	STOCK TIRE COMPANY	7,392.90	1,971.80
278600	TWIN PORT MAILING	40,311.67	83.36
	PUBLIC WORKS		14,870.48
46	COMMUNITY DEVELOPMENT		



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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
46	COMMUNITY DEVELOPMENT		
139800	CLOQUET AREA CHAMBER OF COMMER	48,610.67	5,933.70
278600	TWIN PORT MAILING	40,311.67	380.00
	COMMUNITY DEVELOPMENT		6,313.70
REVOLVING SCDP (EDA)			
46	COMMUNITY DEVELOPMENT		
258200	RUDY GASSERT YETKA	172,414.15	1,047.50
	COMMUNITY DEVELOPMENT		1,047.50
COMMUNITY DEV OPERATING (CITY)			
46	COMMUNITY DEVELOPMENT		
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	43.75
258200	RUDY GASSERT YETKA	172,414.15	1,051.00
278600	TWIN PORT MAILING	40,311.67	41.68
	COMMUNITY DEVELOPMENT		1,136.43
LIBRARY FUND			
45	CULTURE AND RECREATION		
139030	CINTAS CORPORATION NO 2	3,906.13	28.90
213875	MIDWEST TAPE	419.99	83.98
	CULTURE AND RECREATION		112.88
PUBLIC FACILITIES PLANNING			
81	SPECIAL PROJECTS		
251600	RAMSLAND & VIGEN, INC.	11,900.00	5,000.00
	SPECIAL PROJECTS		5,000.00
PARK FUND			
45	CULTURE AND RECREATION		

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
PARK FUND			
45	CULTURE AND RECREATION		
110950	AARDVARK SEPTIC PUMPING	7,305.00	640.00
125700	BEST OIL COMPANY	109,108.94	1,750.60
139030	CINTAS CORPORATION NO 2	3,906.13	9.53
166750	FIRST HOSPITAL LABORATORIES IN	749.50	150.15
175950	GRAPHIC TECHNOLOGIES	6,723.57	85.00
179340	HAGENS GLASS & PAINT	19,100.70	711.00
197800	L & M SUPPLY CO	17,868.54	453.18
	CULTURE AND RECREATION		3,799.46
SENIOR CENTER FUND			
45	CULTURE AND RECREATION		
110850	ABCO PLUMBING & HEATING, INC	1,065.00	963.00
139030	CINTAS CORPORATION NO 2	3,906.13	30.95
	CULTURE AND RECREATION		993.95
PUBLIC WORKS RESERVE			
41	GENERAL GOVERNMENT		
270200	SUPERIOR COMPUTER PRODUCTS INC	74,562.49	19,886.00
	GENERAL GOVERNMENT		19,886.00
42	PUBLIC SAFETY		
161850	EMERGENCY AUTOMOTIVE TECH, INC	8,031.49	11,294.47
	PUBLIC SAFETY		11,294.47
CAPITAL PROJECTS - REVOLVING			
81	SPECIAL PROJECTS		
190175	JMF CONSTRUCTION INC.	50,963.70	2,682.30
	SPECIAL PROJECTS		2,682.30
CITY SALES TAX CAPITAL			

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CITY OF CLOQUET  
 DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
CITY SALES TAX CAPITAL			
81	SPECIAL PROJECTS		
165475	THE FIG TREE LLC	4,443.17	1,613.30
243530	PER MAR SECURITY SERVICES	1,133.50	3,590.00
	SPECIAL PROJECTS		5,203.30
WATER - LAKE SUPERIOR WATERLIN			
50	STATION 1		
137310	CENTURY LINK	25,590.33	75.30
	STATION 1		75.30
51	STATION 2		
137310	CENTURY LINK	25,590.33	164.20
139030	CINTAS CORPORATION NO 2	3,906.13	1.71
	STATION 2		165.91
52	LAKE SUPERIOR WATERLINE		
125700	BEST OIL COMPANY	109,108.94	1,036.09
139030	CINTAS CORPORATION NO 2	3,906.13	9.59
197800	L & M SUPPLY CO	17,868.54	43.04
258200	RUDY GASSERT YETKA	172,414.15	123.75
	LAKE SUPERIOR WATERLINE		1,212.47
57	ADMINISTRATION		
156400	CITY OF DULUTH COMFORTSYSTEMS	786.35	78.53
205050	LOFFLER COMPANIES INC	353.82	12.66
	ADMINISTRATION		91.19
WATER - IN TOWN SYSTEM			
00			
207047	MAGNEY CONSTRUCTION	980,970.53	-14,054.18

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
WATER - IN TOWN SYSTEM			
00			
269125	STEVE STRACEK		13.41
R0001691	JESSE KENNEBECK		15.00
R0001692	THOMAS LINDEVIG		14.39
			-14,011.38
49	CLOQUET		
125700	BEST OIL COMPANY	109,108.94	1,492.29
128900	BROCK WHITE	3,111.18	1,037.00
139030	CINTAS CORPORATION NO 2	3,906.13	37.30
165375	FERGUSON WATERWORKS #2516	34,133.89	357.98
180500	HAWKINS INC	56,093.08	3,649.72
197800	L & M SUPPLY CO	17,868.54	86.08
207047	MAGNEY CONSTRUCTION	980,970.53	281,083.57
261800	SEH	651,127.87	32,209.82
283700	USA BLUEBOOK	5,351.01	79.07
	CLOQUET		320,032.83
54	BILLING & COLLECTION		
278600	TWIN PORT MAILING	40,311.67	2,856.87
	BILLING & COLLECTION		2,856.87
57	ADMINISTRATION & GENERAL		
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	131.26
205050	LOFFLER COMPANIES INC	353.82	12.65
258200	RUDY GASSERT YETKA	172,414.15	288.75
278600	TWIN PORT MAILING	40,311.67	83.36
283700	USA BLUEBOOK	5,351.01	629.95
R0001573	STRAIGHTLINE SURVEYING INC	950.00	500.00
	ADMINISTRATION & GENERAL		1,645.97
ENTERPRISE FUND - SEWER			
55	SANITARY SEWER		

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CITY OF CLOQUET  
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
-----			
ENTERPRISE FUND - SEWER			
55	SANITARY SEWER		
125700	BEST OIL COMPANY	109,108.94	841.58
139030	CINTAS CORPORATION NO 2	3,906.13	23.11
197800	L & M SUPPLY CO	17,868.54	43.03
231400	NEENAH FOUNDRY COMPANY	16,507.68	2,638.21
241950	PACE ANALYTICAL SERVICES INC	4,203.30	318.75
	SANITARY SEWER		3,864.68
57	ADMINISTRATION & GENERAL		
147050	CONSOLIDATED TELEPHONE COMPANY	6,104.64	87.50
205050	LOFFLER COMPANIES INC	353.82	12.65
222600	MN POLLUTION CONTROL AGENCY	379.00	23.00
278600	TWIN PORT MAILING	40,311.67	83.37
	ADMINISTRATION & GENERAL		206.52
STORM WATER UTILITY			
57	ADMINISTRATION & GENERAL		
205050	LOFFLER COMPANIES INC	353.82	12.66
	ADMINISTRATION & GENERAL		12.66
59	OPERATIONS		
139030	CINTAS CORPORATION NO 2	3,906.13	4.87
	OPERATIONS		4.87
CABLE TELEVISION			
45	CULTURE AND RECREATION		
162640	ENVENTIS TELECOM INC	473.11	47.95
210450	MEDIACOM LLC.	2,381.66	16.76
	CULTURE AND RECREATION		64.71

CLOQUET AREA FIRE DISTRICT

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CITY OF CLOQUET  
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INVOICES DUE ON/BEFORE 11/20/2018

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
CLOQUET AREA FIRE DISTRICT 42	PUBLIC SAFETY		
125700	BEST OIL COMPANY	109,108.94	3,824.32
190700	JAMAR COMPANY	16,285.76	670.88
	PUBLIC SAFETY		4,495.20
	TOTAL ALL DEPARTMENTS		516,156.74




## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer - Engineering - Park  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: John Anderson, Assistant City Engineer  
Reviewed by: Aaron Reeves, City Administrator   
Date: November 20, 2018

---

**ITEM DESCRIPTION:** Set Public Hearing Date on Proposed 2019 Pine Tree Plaza Frontage Road Improvements

---

#### Proposed Action

Staff recommends the City Council move to adopt **RESOLUTION 18-79, SETTING A PUBLIC HEARING DATE ON THE PROPOSED 2019 PINE TREE PLAZA FRONTAGE ROAD IMPROVEMENTS** with a proposed hearing date of December 18, 2018.

#### Background/Overview

The City has planned for an improvement project in the Pine Tree Plaza Frontage Road Area of both public street and sewer and water utilities for 2019. The scope of the project reconstruction of the frontage road from the Super One driveway past the Pizza Hut Restaurant and ending at Armory Road in front of McDonalds. Also included is replacement of the watermain from the AmericInn Hotel along TH 33 to Big Lake Road and from Pizza Hut to Armory Road as well as from Pizza Hut to the Super One connection at their driveway to the frontage road. Sanitary sewer is planned to be replaced from Pizza Hut to McDonalds. The project first began as a possible frontage road relocation through the Miners Pine Tree Plaza site. After that project did not move forward, the need remains to address pavement quality and utility issues in the area. As a result, the City Council programed a reconstruction project for this area in 2019.

Preliminary plans have been developed and as a portion of the costs are to be assessed, a feasibility study has been prepared. The feasibility study details the project scope, cost estimates and preliminary assessments associated with this project. As required by state statute, a Public Hearing must be held to take public comment on the improvement. After the conclusion of that hearing, the City Council should provide direction to staff on how to proceed.

By adopting the attached resolution, the process may move forward to Public Hearing which is the next step in the local improvement process.

#### Policy Objectives

To advance proposed capital improvement projects but prior to approval, affected property owners shall be provided an opportunity to make comments in reference to the proposed improvement in accordance with state statutes.

To Mayor and Council  
Set Public Hearing Date  
Pine Tree Plaza Frontage Rd Improvement  
November 20, 2018  
Page 2

**Financial/Budget/Grant Considerations**

The approved 2019 budget includes an estimated cost for this project of \$580,000 coming from sales tax funds. The feasibility study shows an estimated project costs of \$579,265

A preliminary assessment role has been prepared in accordance with Chapter 12 of City Code showing the anticipated assessments for each benefiting property.

**Advisory Committee/Commission Action**

N/A

**Supporting Documentation Attached**

- Resolution No. 18-79
- Location Map
- Preliminary Assessment Role
- Preliminary Cost Estimate



**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-79**

**RESOLUTION SETTING A PUBLIC HEARING DATE ON THE PROPOSED  
2019 PINE TREE PLAZA FRONTAGE ROAD IMPROVEMENTS**

**WHEREAS**, The project is included in the City of Cloquet's Capital Improvement Program and approved budget; and

**WHEREAS**, The existing infrastructure (Street, Sanitary Sewer, and Watermain) is in need of reconstruction; and

**WHEREAS**, It is anticipated that benefitted properties will be assessed for a portion of the project costs, pursuant to Minnesota Statutes, Chapter 429 and Chapter 12 of City Code.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:**

1. That the Council will consider the reconstruction of:
  - a. Pine Tree Plaza Frontage Road from Super One to McDonalds
  - b. Sanitary Sewer from Pizza Hut to McDonalds
  - c. Watermain from the AmericInn to McDonalds and from Pizza Hut to Super One
2. In accordance with the Capital Improvement plan and the possible assessment of abutting property for a portion of the cost of the improvements pursuant to Minnesota Statute, Chapter 429 at an estimated total cost of the improvement \$579,265.
3. A public hearing shall be held on December 18, 2018, in the City Council Chambers at 7:00 p.m.
4. The City Administrator shall give mailed and published notice of such hearing and improvement as required by law.

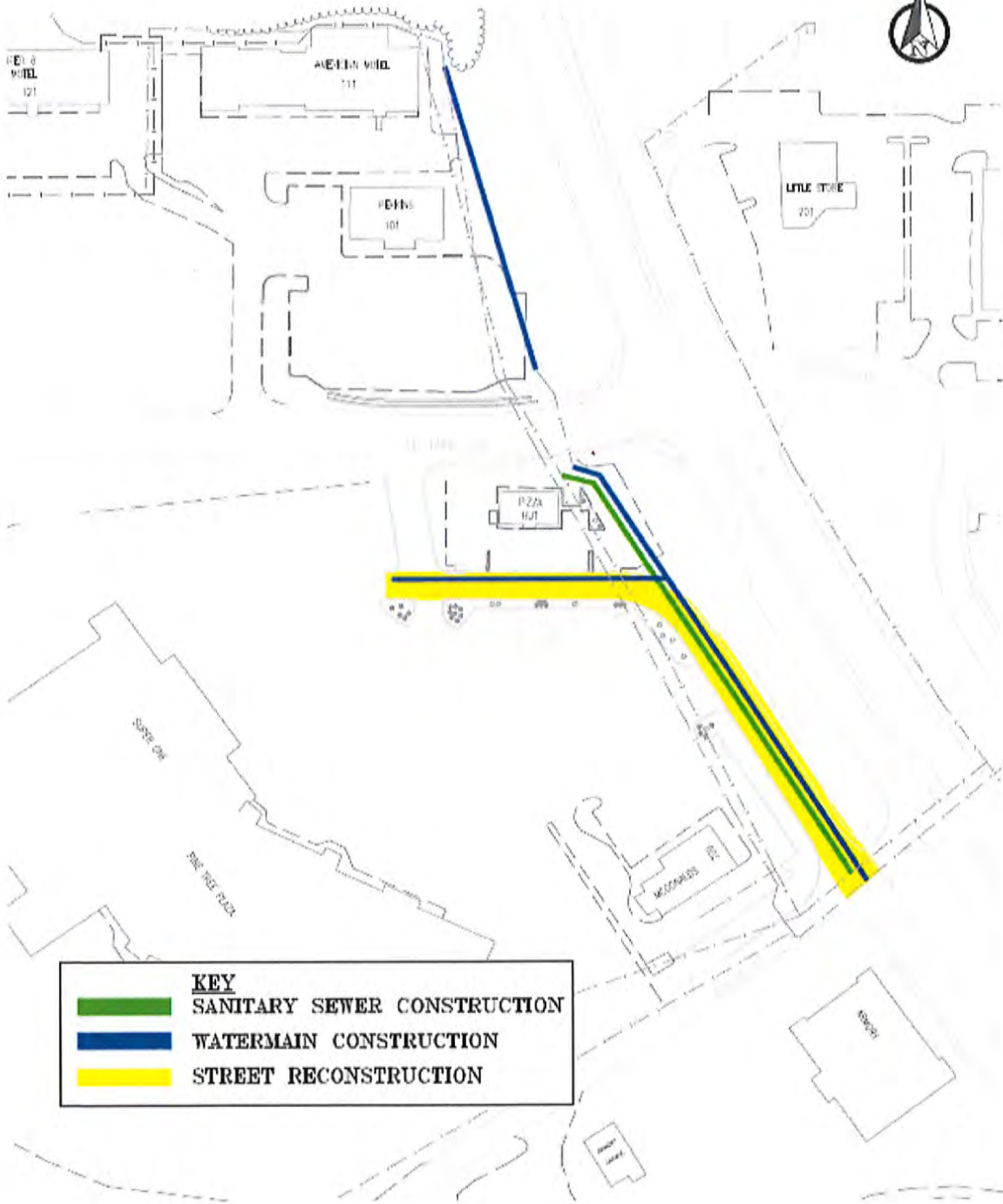
**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20<sup>th</sup>  
DAY OF NOVEMBER 2018.**




\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

# 2019 PINETREE PLAZA STREET & UTILITY IMPROVEMENTS



<b>KEY</b>	
	<b>SANITARY SEWER CONSTRUCTION</b>
	<b>WATERMAIN CONSTRUCTION</b>
	<b>STREET RECONSTRUCTION</b>

OVERALL FRONT FOOT ASSESSMENT

PROPERTY OWNER	LOT TYPE	LOT FRONTAGE (SHORT SIDE)	LOT FRONTAGE (LONG SIDE)	TOTAL STREET ASSESSEMENT FRONTAGE	SEWER FRONTAGE	WATER FRONTAGE	WATER ASSESSMENT (\$2.12\$/FT)	SEWER ASSESSMENT (\$3.98\$/FT)	CURB AND GUTTER (50%) \$25 PER FOOT	PAVEMENT ASSESSMENT (16\$/FT)	SUBTOTAL	ADMIRL. ASSESSMENT (12%)	TOTAL APPROXIMATE ASSESSMENT
AMERICINN	STANDARD (WATER)	--	--	0	0	244	\$ 10,276.10	\$ -	\$ -	\$ -	\$ 10,276.10	\$ 1,233.13	\$ 11,509.23
PERKINS	STANDARD (WATER)	--	--	0	0	246	\$ 10,360.33	\$ -	\$ -	\$ -	\$ 10,360.33	\$ 1,243.24	\$ 11,603.57
PIZZA HUT	STANDARD (SAN. AND WATER)	--	--	0	220	220	\$ 9,265.34	\$ 9,675.93	\$ -	\$ -	\$ 18,941.26	\$ 2,272.95	\$ 21,214.21
	STANDARD (ROAD)	--	302	302	0	0	\$ -	\$ -	\$ 7,550.00	\$ 4,832.00	\$ 12,382.00	\$ 1,485.84	\$ 13,867.84
SUPERONE	CORNER (LOT 1, ALL)	187	231	264	187	187	\$ 7,875.54	\$ 8,224.54	\$ 6,600.00	\$ 4,224.00	\$ 26,924.07	\$ 3,230.89	\$ 30,154.96
	IRREGULAR (LOT 2, WATER)	--	--	0	0	648	\$ 27,290.63	\$ -	\$ -	\$ -	\$ 27,290.63	\$ 3,274.88	\$ 30,565.50
MCDONALDS	STANDARD (ROAD)	189	--	189	189	189	\$ 7,959.77	\$ 8,312.50	\$ 4,725.00	\$ 3,024.00	\$ 24,021.27	\$ 2,882.55	\$ 26,903.82
	TOTAL	376	533	755	596	1734	\$ 73,027.69	\$ 26,212.96	\$ 18,875.00	\$ 12,080.00	\$ 130,195.65	\$ 15,623.48	\$ 145,819.13



Project Name: Pine Tree Plaza Utilities - Full Reconstruct  
 SEH Project No: CLOQU 145829  
 Date: October 9, 2018  
 Estimator: Rose Henkel  
 Description: Preliminary Opinion of Cost

ROADWAY	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
COMMON EXCAVATION	CU YD	1310	\$ 15.00	\$ 19,650.00
SUBGRADE EXCAVATION	CU YD	131	\$ 15.00	\$ 1,965.00
COMMON BORROW	CU YD	131	\$ 15.00	\$ 1,965.00
BITUMINOUS WEAR	TON	236	\$ 80.00	\$ 18,880.00
BITUMINOUS NON-WEAR	TON	236	\$ 80.00	\$ 18,880.00
AGGREGATE BASE (CL 5)	CU YD	439	\$ 40.00	\$ 17,560.00
SELECT GRANULAR BORROW	CU YD	655	\$ 20.00	\$ 13,100.00
CURB AND GUTTER (B624)	LIN FT	1360	\$ 25.00	\$ 34,000.00
GEOTEXTILE FABRIC	SQ YD	1964	\$ 2.50	\$ 4,910.00
SANITARY SEWER COLLECTION	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
8" SANITARY MAIN	LIN FT	532	\$ 40.00	\$ 21,280.00
CONNECT TO EXISTING MH	EACH	1	\$ 1,500.00	\$ 1,500.00
SANITARY SEWER MH	EACH	4	\$ 3,500.00	\$ 14,000.00
SANITARY SEWER SERVICE	LIN FT	20	\$ 50.00	\$ 1,000.00
POTABLE WATER DISTRIBUTION	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
8" DIP WATERMAIN	LIN FT	37	\$ 60.00	\$ 2,220.00
8" HDPE WATERMAIN (DIRECTIONALLY DRILLED)	LIN FT	1150	\$ 80.00	\$ 92,000.00
CONNECT TO EXISTING MAIN	EACH	5	\$ 1,300.00	\$ 6,500.00
HYDRANT ASSEMBLY	EACH	2	\$ 7,500.00	\$ 15,000.00
WATER SERVICE	EACH	60	\$ 30.00	\$ 1,800.00
8" GATE VALVE	EACH	3	\$ 2,500.00	\$ 7,500.00
CURB STOP AND CORPORATION STOP	EACH	3	\$ 1,000.00	\$ 3,000.00
STORM SEWER COLLECTION	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
CATCH BASINS w/LEADS	EACH	2	\$ 2,500.00	\$ 5,000.00
RESTORATION	UNIT	EST. QUANTITY	UNIT PRICE	AMOUNT
TURF RESTORATION	LUMP SUM	1	\$ 5,000.00	\$ 5,000.00
EROSION CONTROL BLANKET	SQ YD	832	\$ 2.50	\$ 2,080.00
STREET TREES	EACH	2	\$ 450.00	\$ 900.00
<b>SUB TOTAL</b>				<b>\$ 309,690.00</b>
TRAFFIC CONTROL			1%	\$ 3,097.00
MOBILIZATION			15%	\$ 46,454.00
EROSION CONTROL			2%	\$ 6,194.00
MISCELLANEOUS CONSTRUCTION			5%	\$ 15,485.00
CONTINGENCIES			15%	\$ 46,454.00
<b>TOTAL CONSTRUCTION</b>				<b>\$ 427,374.00</b>
CIVIL DESIGN, CONSTRUCTION ADMIN, CONSTRUCTION STAKING			20%	\$ 85,475.00
LEGAL, FISCAL, AND ADMINISTRATIVE			5%	\$ 21,369.00
OTHER CONSULTANTS (ENVIRONMENTAL, GEOTECHNICAL, ETC.)			3%	\$ 12,821.00
PERMANENT EASEMENT ACQUISITION				\$ 32,226.00
<b>TOTAL PROJECT</b>				<b>\$ 579,265.00</b>
<b>TOTAL ASSESSABLE COST</b>				<b>\$ 178,859.07</b>
<b>CITY COST</b>				<b>\$ 480,405.93</b>



## DEPARTMENT OF PUBLIC WORKS

1307 Cloquet Avenue; Cloquet, MN 55720  
Phone: (218) 879-6758 Fax: (218) 879-6555  
Street - Water - Sewer - Engineering - Park  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

### REQUEST FOR COUNCIL ACTION

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To: Mayor and City Council  
From: Caleb Peterson, Public Works Director  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: November 20, 2018

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**ITEM DESCRIPTION:** Washington Avenue Reconstruction Agreement

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#### Proposed Action

Staff recommends that the City Council move to **ADOPT RESOLUTION NO. 18-82, A RESOLUTION ENTERING INTO AN AGREEMENT WITH CARLTON COUNTY FOR WASHINGTON AVENUE IMPROVEMENTS.**

#### Background/Overview

Carlton County plans to reconstruct Washington Avenue from Trunk Highway 33 (TH 33) to County State Aid Highway 45 (CSAH 45) during the summer of 2019. As part of the project, the City of Cloquet has planned improvements to our existing sanitary sewer and water utilities within the Washington Avenue right-of-way (ROW) between TH33 and 22<sup>nd</sup> Street. The scope of these proposed utility improvements includes the extension of a new sanitary sewer main to previously unserved properties between 12<sup>th</sup> and 14<sup>th</sup> Streets, extension of utility services to the ROW for unserved properties along the entire corridors, and spot repairs to resolve condition issues in the existing sewer and water mains. Because each entity has certain responsibilities and costs associated with this project, a Cooperative Construction Agreement has been prepared outlining the City's responsibilities.

#### Policy Objectives

N/A.

#### Financial/Budget/Grant Considerations

Staff estimates the cost of sewer and water improvements associated with this project at \$180,000. \$210,000 was included in water and sewer fund budgets for said improvements.

#### Advisory Committee/Commission Action

N/A.

#### Supporting Documents Attached

- Resolution 18-82
- Agreement

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-82**

**A RESOLUTION ENTERING INTO AN AGREEMENT WITH CARLTON COUNTY  
FOR WASHINGTON AVENUE IMPROVEMENTS**

**WHEREAS**, Carlton County will perform bituminous paving, storm sewer rehabilitation, ADA improvements, and other associated construction upon and along Washington Avenue (CSAH 16) from Trunk Highway 33 to CSAH 45 according to County-prepared plans, specifications, and special provisions designated by the County as SAP 009-616-004 during the summer of 2019; and

**WHEREAS**, the City of Cloquet has requested that Carlton County include in its project improvements to municipal owned sewer and water facilities between Trunk Highway 33 and 22<sup>nd</sup> Street along Washington Avenue (CSAH 16).

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:**

The City of Cloquet enter into the Washington Avenue Reconstruction Agreement with Carlton County to provide for payment by the City to the County of the City's share of the costs of construction to be performed upon, along and adjacent to Washington Avenue from T.H. 33 to 22<sup>nd</sup> Street, within the corporate City limits under State Aid Project No. 009-616-004.

**BE IT FURTHER RESOLVED** that the City Engineer is authorized and directed to execute the Agreement and administer the Agreement on behalf of the City.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20<sup>th</sup>  
DAY OF NOVEMBER 2018.**

\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

CARLTON COUNTY, MINNESOTA  
And  
CITY OF CLOQUET  
WASHINGTON AVENUE (CSAH 16)  
RECONSTRUCTION AGREEMENT

**State Project Number (SAP) 009-616-004**

This Agreement is between Carlton County, Minnesota, acting through its Board of Commissioners ("County") and the City of Cloquet acting through its City Council ("City").

**Recitals**

1. The County will perform bituminous paving, paved shared use path, storm sewer rehabilitation, ADA improvements, and other associated construction upon, along and adjacent to Washington Avenue (CSAH 16) from Trunk Highway No. 33 (TH 33) to CSAH 45 according to County-prepared plans, specifications and special provisions designated by the County as SAP 009-616-004.
2. The City has requested the County include in its Project municipal facilities between TH 33 and 22<sup>nd</sup> Street (CSAH 55); and
3. The City wishes to pay for all costs associated with the municipal facilities construction and associated construction engineering; and

**Agreement**

**1. Term of Agreement; Survival of Terms; Plans; Incorporation of Exhibits**

- 1.1. *Effective Date.* This Agreement will be effective on the date the County obtains all signatures.
- 1.2. *Expiration Date.* This Agreement will expire when all obligations have been satisfactorily fulfilled.
- 1.3. *Survival of Terms.* All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, without limitation, the following clauses: 8. Liability; Worker Compensation Claims; 10. Government Data Practices; 11. Governing Law; Jurisdiction; Venue; and 13. Force Majeure.
- 1.4. *Plans, Specifications, Special Provisions.* Plans, specifications, and special provisions designated by the County as SAP 009-616-004 are on file in the office of the County Engineer of Carlton County and incorporated into this Agreement by reference ("Project Plans").

**2. Construction by the County**

- 2.1. *Contract Award.* The County will advertise for bids and award a construction contract to the lowest responsible bidder according to the Project Plans.
- 2.2. *Direction, Supervision and Inspection of Construction.*
  - A. *Supervision and Inspection by the County.* The County will direct and supervise all construction activities performed under the construction contract, and perform all construction engineering and inspection functions in connection with the contract construction; except for the engineering and inspection associated with the municipal facilities. All contract construction will be performed according to the Project Plans.
  - B. *Inspection by the City.* The City will perform all construction engineering and inspection functions in connection with municipal facilities outlined in the contract documents. If the City believes the County participation construction covered under this Agreement has not been properly performed or that the construction is defective, the City will inform the County Engineer in writing of those defects. Any recommendations made by the City are not binding on the County. The County will have the ultimate

right to determine whether the County's contractor has satisfactorily performed the City participation construction covered under this Agreement.

**2.3. *Plan Changes, Additional Construction, Etc.***

- A. The County will make changes in the Project Plans and contract construction, which may include the City participation construction covered under this Agreement, and will enter into any necessary addenda, work orders, change orders and supplemental agreements with the County's contractor that are necessary to cause the contract construction to be performed and completed in a satisfactory manner. The County Engineer will inform the appropriate City official of any proposed addenda, work orders, change orders, and supplemental agreements to the construction contract that will affect the City participation construction covered under this Agreement.
- B. The City may request additional work or changes to the work in the plans as part of the construction contract. Such request will be made by an exchange of letter(s) with the County. If the County determines that the requested additional work or plan changes are necessary or desirable and can be accommodated without undue disruption to the project, the County will cause the additional work or plan changes to be made.

**2.4. *Satisfactory Completion of Contract.*** The County will perform all other acts and functions necessary to cause the construction contract to be completed in a satisfactory manner.

**3. Operation and Maintenance**

Operation and maintenance responsibilities will be the responsibility of the City for all the municipal facilities on Washington Avenue (CSAH 16) between TH 33 and 22<sup>nd</sup> Street (CSAH 55).

**4. Basis of City Cost**

**4.1. *City Participation Construction.*** The City will be 100 percent responsible for all costs associated with the construction of municipal facilities between TH 33 and 22<sup>nd</sup> Street (CSAH 55) along Washington Avenue (CSAH 16). The construction includes the City's proportionate share of item costs for mobilization, and traffic control.

**4.2. *Construction Engineering Costs.*** The City will pay all construction engineering costs associated with the municipal facilities on Washington Avenue (CSAH 16) between TH 33 and 22<sup>nd</sup> Street (CSAH 55).

**4.3. *Plan Changes, Additional Construction, Etc.*** The City will share in the costs of construction contract addenda, work orders, change orders, and supplemental agreements that are necessary to complete the City participation construction covered under this Agreement, including any City requested additional work and plan changes.

The County reserves the right to invoice the City for the cost of any additional City requested work and plan changes, construction contract addenda, work orders, change orders and supplemental agreements, and associated construction engineering before the completion of the contract construction.

**4.4. *Liquidated Damages.*** All liquidated damages assessed the County's contractor in connection with the construction contract will result in a credit shared by each party in the same proportion as their total construction cost share covered under this Agreement is to the total contract construction cost before any deduction for liquidated damages.

**5. City Cost and Payment by the City**

**5.1. *City Cost.*** Upon award of the construction contract, the County will prepare a Schedule "I" based on construction contract unit prices, as part of this Agreement.

**5.2. *Conditions of Payment.*** The City will pay the County the City's total estimated construction and construction engineering cost share, as shown in the Schedule "I", after the following conditions have been met:



A. Execution of this Agreement and transmittal to the City, including a copy of the Schedule "I".

B. The City's receipt of a written request from the County for the advancement of funds.

5.3. **Acceptance of the City's Cost and Completed Construction.** The computation by the County of the amount due from the City will be final, binding, and conclusive. Acceptance by the County of the completed contract construction will be final, binding, and conclusive upon the City as to the satisfactory completion of the contract construction.

5.4. **Final Payment by the City.** Upon completion of all contract construction and upon computation of the final amount due the County, the County will prepare a Final Schedule "I" and submit a copy to the City. The Final Schedule "I" will be based on final quantities, and include all City participation construction items and the construction engineering cost share covered under this Agreement. If the final cost of the City participation construction exceeds the amount of funds advanced by the City, the City will pay the difference to the County without interest. If the final cost of the City participation construction is less than the amount of funds advanced by the City, the County will refund the difference to the City without interest.

The County and the City waive claims for any payments or refunds less than \$5.00 according to Minnesota Statutes § 15.415.

## 6. Authorized Representatives

Each party's Authorized Representative is responsible for administering this Agreement and is authorized to give and receive any notice or demand required or permitted by this Agreement.

6.1. The City's Authorized Representative will be:

Name/Title: Caleb Peterson, City Engineer (or successor)

Address: 1307 Cloquet Avenue, Cloquet, MN 55720

Telephone: (218) 879-6758

E-Mail: [cpeterson@cloquetmn.gov](mailto:cpeterson@cloquetmn.gov)

6.2. The County's Authorized Representative will be:

Name/Title: JinYeene Neumann, County Engineer (or successor)

Address: 1630 County Road 61, Carlton, MN 55718

Telephone: (218) 384-9154

E-Mail: [JinYeene.neumann@co.carlton.mn.us](mailto:JinYeene.neumann@co.carlton.mn.us)

## 7. Assignment; Amendments; Waiver; Contract Complete

7.1. **Assignment.** Neither party may assign or transfer any rights or obligations under this Agreement without the prior consent of the other party and a written assignment agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.

7.2. **Amendments.** Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

7.3. **Waiver.** If a party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to subsequently enforce it.

7.4. **Contract Complete.** This Agreement contains all prior negotiations and agreements between the City and the County. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

## 8. Liability; Worker Compensation Claims

8.1. Each party is responsible for its own acts, omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of others and the results thereof. Minnesota

Statutes Chapter 466 and other applicable law govern liability of the County.

8.2. Each party is responsible for its own employees for any claims arising under the Workers Compensation Act.

**9. Nondiscrimination**

Provisions of Minnesota Statutes § 181.59 and of any applicable law relating to civil rights and discrimination are considered part of this Agreement.

**10. Government Data Practices**

The County and City must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the County under this Agreement. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either the County or the City.

**11. Governing Law; Jurisdiction; Venue**

Minnesota law governs the validity, interpretation, and enforcement of this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Carlton County, Minnesota.

**12. Termination; Suspension**

12.1. *By Mutual Agreement.* This Agreement may be terminated by mutual agreement of the parties.

12.2. *Termination/or Insufficient Funding.* The County may immediately terminate this Agreement if it does not obtain funding from the Minnesota Department of Transportation, or other funding source; or if funding cannot be continued at a level sufficient to allow for the performance of contract construction under the Project. Termination must be by written or fax notice to the City.

12.3. *Suspension.* In the event of a total or partial government shutdown, the City may suspend this Agreement and all work, activities, and performance of work authorized through this Agreement.

**13. Force Majeure**

Neither party will be responsible to the other for a failure to perform under this Agreement (or a delay in performance), if such failure or delay is due to a force majeure event. A force majeure event is an event beyond a party's reasonable control, including but not limited to, unusually severe weather, fire, floods, other acts of God, labor disputes, acts of war or terrorism, or public health emergencies.

[The remainder of this page has been intentionally left blank]

CARLTON COUNTY

CITY OF CLOQUET

The undersigned certify that they have lawfully executed this contract on behalf of the Governmental Unit as required by applicable charter provisions, resolutions, or ordinances.

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**INCLUDE COPY OF RESOLUTION APPROVING THE AGREEMENT AND AUTHORIZING ITS EXECUTION,**



**COMMUNITY DEVELOPMENT DEPARTMENT**

1307 Cloquet Avenue • Cloquet MN 55720

Phone: 218-879-2507 • Fax: 218-879-6555

[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Al Cottingham, City Planner/Zoning Administrator  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: November 14, 2018

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**ITEM DESCRIPTION:** Zoning Case 18-11: Zoning Ordinance Text Amendment – Highway 33 Design Standards, Irrigation Requirements and Parking Requirements in the HC – Historic Commercial District

---

**Proposed Action**

The Planning Commission recommends the City Council move to adopt:

- **ORDINANCE NO. 475A - AN ORDINANCE TO AMEND CHAPTER 17 OF THE MUNICIPAL CODE PERTAINING TO THE HIGHWAY 33 DESIGN STANDARDS, IRRIGATION REQUIREMENTS AND PARKING IN THE HISTORIC COMMERCIAL DISTRICT**

**Background/Overview**

The City of Cloquet is proposing to amend the Section 17.5.15 Highway 33 Design Standards; Section 17.5.04 Landscaping; and, Section 17.6.12 HC – Historic Commercial of the City Code (Zoning Ordinance).

The proposed amendment to the Highway 33 Design Standards is to provide staff with some flexibility with the exterior of the building. This has come about with the request from Members Cooperative Credit Union and the exterior material not looking like brick or masonry. There have been other projects that have discussed other alternatives that ultimately decided against it.

The amendment to the Landscape Section is to eliminate the requirement for irrigation. There have been a couple of variances approved over the past few years. An issue that has come up is with shortages and the planting of native plants that are more tolerable to less moisture.

The change to the Historic Commercial District is to amend the parking requirements so they are similar to the City Center District. This has been an item of discussion with staff following the requirements for the former Avenue C Restaurant needing to have the required parking either on site or in a public parking lot within a certain distance of the building. If that same use would have gone in the City Center District within an existing building they would not have been required to have any parking. See the attached Draft Ordinance Amendment for the changes.

To the Mayor and City Council  
Ordinance Text Amendment  
November 14, 2018  
Page 2

A public hearing will be held on Tuesday, November 13, 2018 to consider a possible amendments to Section 17. A legal notice was published in the Pine Journal on November 1, 2018, Property owners were **not** sent a notice of the hearing since this is a textual amendment.

**Policy Objectives**

As times change amendments to the Ordinance are made to try to stay current with things.

**Financial/Budget/Grant Considerations**

The Zoning Ordinance Text Amendment fee is \$300. These fees have been waived since the city is the applicant.

**Advisory Committee/Commission Action**

The Planning Commission discussed these particular uses and felt that they should be amended to make development a little simpler since variances have been granted on a couple of occasions for these items.

The Planning Commission has recommended approval of the Zoning Ordinance Text Amendments on a 4-0 vote.

**Supporting Documentation Attached**

- Ordinance No. 475A

ORDINANCE NO. 475A

AN ORDINANCE TO AMEND CHAPTER 17 OF THE MUNICIPAL CODE PERTAINING TO THE HIGHWAY 33 DESIGN STANDARDS, IRRIGATION REQUIREMENTS AND PARKING IN THE HISTORIC COMMERCIAL DISTRICT

The City Council of the City of Cloquet does hereby ordain as follows:

**Section 1.**      **Section 17.5.15, Design Standards for the Highway 33 Corridor, Subd. 3 General Provisions** is amended to add:

- A. Exceptions will be allowed for high quality synthetic material that mimics brick, masonry or other appearance as approved by the City Planner/Zoning Administrator. Materials must be durable and properly maintained at all times.

**Section 2.**      **Section 17.2.10 Site Plan Approval, Subd. 6 Site Plan Review Requirements and Performance Standards** is amended to delete and renumber:

- A. Irrigation of Landscaped Areas. In addition to the basic requirements set forth elsewhere in this Chapter, all landscaped areas shall be provided with an underground irrigation system.

**Section 3.**      **Section 17.5.04 Landscaping Requirements, Subd. 3. General Requirements, All Districts** is amended to delete:

- I. All landscaped areas except one and two-family dwellings shall be provided with an underground irrigation system. If a variance is approved to eliminate the irrigation system then an adequate exterior water source (spigots) shall be provided.

**Section 4.**      **Section 17.6.12 HC – Historic Commercial District, Subd. 6 Special District Provisions** is amended to change item B as follows:

- B. Parking. The parking provisions of this Chapter are modified as follows to carry out the intent of the HC District. Existing Buildings are exempt from off street parking requirements: Also see Section 17.5.14 Subd. 5.

**Section 5.**      **Effective Date.** This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

Passed this 20<sup>th</sup> day of November 2018.

CITY OF CLOQUET

By: \_\_\_\_\_  
Its Mayor

ATTEST:

By: \_\_\_\_\_  
Its City Administrator

Published this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

ORDINANCE NO. 475A

AN ORDINANCE TO AMEND CHAPTER 17 OF THE MUNICIPAL CODE PERTAINING TO THE HIGHWAY 33 DESIGN STANDARDS, IRRIGATION REQUIREMENTS AND PARKING IN THE HISTORIC COMMERCIAL DISTRICT

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**Section 5. Effective Date**. This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

Passed this 20<sup>th</sup> day of November 2018.

CITY OF CLOQUET

By: \_\_\_\_\_  
Its Mayor

ATTEST:

By: \_\_\_\_\_  
Its City Administrator

Published this \_\_\_\_\_ day of \_\_\_\_\_, 2018.



**DEPARTMENT OF PUBLIC WORKS**

1307 Cloquet Avenue; Cloquet, MN 55720  
 Phone: (218) 879-6758 Fax: (218) 879-6555  
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 www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

To: Mayor and City Council  
 From: Caleb Peterson, Public Works Director  
 Reviewed By: Aaron Reeves, City Administrator *AR*  
 Date: November 20, 2018

**ITEM DESCRIPTION:** 2019 Public Works Position Appointments

**Proposed Action**

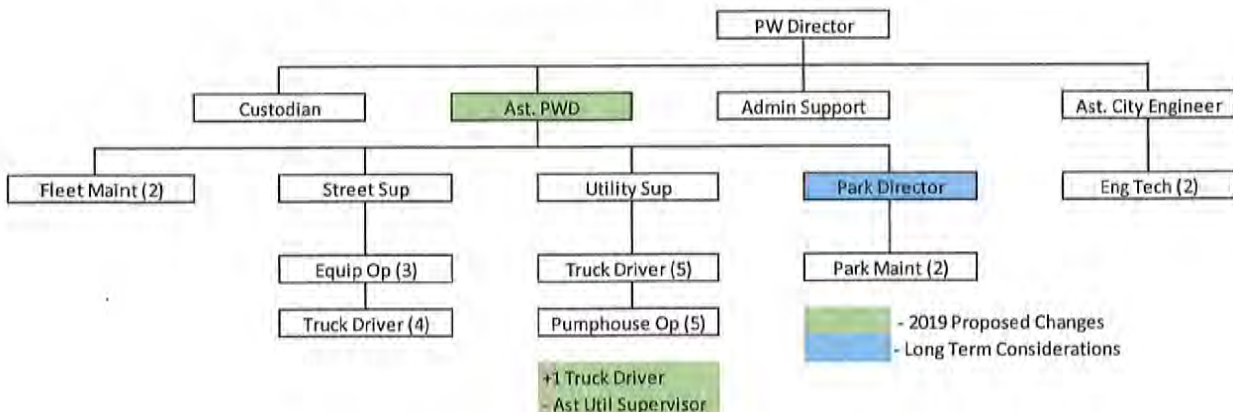
Staff recommends the City Council move to approve the appointment of Tim Johnson to the position of Assistant Public Works Director and Ross Biebl to the position of Utility Maintenance Supervisor effective January 1, 2019.

**Background/Overview**

In October, City Council authorized the creation of the new Assistant Public Works Director position along with internal job postings to begin the process of reorganization of the Public Works Department. Over the past 10 years the Public Works Department has taken on many additional duties while staffing levels have remained constant. Through planning, efficiency improvements, and cross utilization of department staff, Public Works has absorbed these additional tasks with minimal impacts to level of service. That said, we know the current organizational structure will struggle to meet demands long term.

Staff first began exploring possible restructuring of Public Works with the retirement of our previous City Engineer. With other department supervisors now approaching retirement, the goal is to form a long-term vision which can be implemented thru attrition.

**Public Works Department Proposed Org Chart**





Under the proposed org chart, the total number of Public Works staff will increase by 1 FTE in 2019. Creation of a full-time administration position at the Public Works Garage will lessen administrative demands on current maintenance level supervisors freeing them to be “working foremen” as their current job descriptions are written. This change would create additional maintenance capacity, clarify each division’s scope of responsibility and streamline administration duties. It also flattens the organizational structure so specialized fields (fleet maintenance, parks etc.) are no longer subdivisions of another supervisor. This should encourage sharing of staff between divisions based on needs and priorities of the Department as a whole.

Through this interview process, both applicants performed well, and the panel is unanimously recommending the promotion/appointment of Mr. Johnson to Assistant Public Works Director and Mr. Biebl to Utility Maintenance Supervisor.

**Policy Objectives**

Keeping a fully staffed department is consistent with the service level directives of the City Council.

The City Council is the hiring authority for the City as determined by City Code and State law. Council must act to appoint applicants to complete the hiring process.

**Financial/Budget/Grant Considerations**

These positions are fully funded as part of the 2019 operating budget.

**Advisory Committee/Commission Action**

N/A.

**Supporting Documents Attached**

N/A



**COMMUNITY DEVELOPMENT**  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

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To: Mayor and Cloquet City Council  
From: Holly Hansen, Community Development Director;  
Matt Munter, Building Official  
Reviewed By: Aaron Reeves, City Administrator *AR*  
Date: November 13, 2018

---

**ITEM DESCRIPTION: RESOLUTION ORDERING THE REMOVAL OF A PUBLIC NUISANCE AND HAZARDOUS BUILDING LOCATED AT 316 20<sup>TH</sup> STREET, CLOQUET, MN**

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**Proposed Action**

The Council is asked to approve **RESOLUTION NO. 18-78, ORDERING THE REMOVAL OF A PUBLIC NUISANCE AND HAZARDOUS BUILDING LOCATED AT 316 20<sup>TH</sup> STREET, CLOQUET, MN** and enter into contract with Land Logic (the lowest bidder) in the amount of \$5,980 to demolish 316 20<sup>th</sup> Street.

**Background/Overview**

In early 2015, the City was contacted about the disrepair and abandonment of a home located at 316 20<sup>th</sup> Street. City staff checked the utility status and found the gas meter had been removed from in the home in 2003, water/sewer usage at the property was turned off June 12, 2014, and electricity was turned off August 28, 2014. The City posted the home for non-occupancy due to lack of utilities on April 23, 2015. City staff contacted the property owner (at that time Ron Frank, who was living elsewhere with family) to schedule a property inspection. After inspecting, the Cloquet Building Official prepared an inspection report and issued an Order to Remove (city issued structural condemnation order) on May 28, 2015. The property owner was given the options to provide consent for City financed demolition to be assessed to the property or to work with the City to RFP the property for sale to local contractors. The owner struggled to offer solutions but eventually worked with the City to have the property sold to a local contractor who said he would demolish and begin on a new home construction project on this property. In 2016 the property was sold for \$3,000 to High Mark Management LLC for \$3,000 via a purchase agreement. As part of the county's requirement of sale, the back taxes were brought up to current in 2016.

With no progress on demolition and non-payment of taxes by the new owner, the Cloquet Building Official re-issued an Order to Remove to Highmark Management LLC on September 18, 2017. In 2017 and 2018 the City offered City financed property demolition and spoke with the owner in person, via letter, and personal service from the City Attorney. The new owner has been non-responsive to options.

The condition of the property is that it is marginally upright and the floor is not sound to walk on. The home is secure but is a net financial property drag to the neighborhood, is an attractive nuisance for vandalism, has been abandoned since 2014. This property is also a concern to Ward 2 Councilor Bjerkness, who has asked staff to re-evaluate due to the severity of the situation and has been contacted by parents with children on that block.

To Mayor and Council  
316 20<sup>th</sup> Street Demolition  
November 14, 2018  
Page 2

The Carlton County Auditor cannot take a property for forfeiture until there are four full years of back taxes. The County is set to forfeit on this property in December of 2021 and the soonest demolition to be scheduled by the County would be late spring 2022. The Community Development Department is highly aware of the history and situation of this property and recommends it is as an ideal candidate for demolition per Council action due to the current owner refusing to provide consent.

**Policy Objectives**

The Community Development Department covers the topical areas of Building and Housing Code Inspections; Planning, Zoning, and Subdivision of Land; and Economic Development. This case before the Council is a significant Housing Code violation of City Code for which action is being sought from the Council.

**Financial/Budget/Grant Considerations**

Staff recommendation would be for the City to enter into contract for demolition work with Land Logic in the amount of \$5,980 (as the lowest bidder) and the costs incurred by the City filed as a special assessment against the property, payable in a single installment and placed behind the County's back taxes (\$987.43 for 2017, \$554 not paid for 2018 not yet officially delinquent). The City hired an ownership and encumbrance evaluation on October 4, 2018 and found no other liens on this property. The County is set to forfeit on the property for back taxes in December 2021 and the soonest opportunity for County financed demolition would otherwise be spring of 2022.

**Supporting Documentation Attached**

- Resolution 18-78
- Bids for Property Demolition (Draft Contractor Agreement has been reviewed by the City from Land Logic and edits requested)
- Cloquet Building Official Structural Condemnation Orders 2015 and 2017

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-78**

**RESOLUTION ORDERING THE REMOVAL  
OF A PUBLIC NUISANCE AND HAZARDOUS BUILDING  
LOCATED AT 316 20<sup>th</sup> STREET, CLOQUET, MN**

**WHEREAS**, pursuant to Cloquet City Code §§ 7.1.01 to 7.1.07, and Minn. Stat. §§ 463.15 to 463.261, the City Council of the City of Cloquet finds the residence on the property located at 316 20<sup>th</sup> Street to be a public nuisance and hazardous building for the following reasons:

1. The home has lacked water and sewer utility service since June 12, 2014 which is required by Cloquet City Code Section 10.3.05 Subd. 2 Subp. B. The City of Cloquet posted this building as UNFIT FOR HUMAN HABITATION on June 24, 2014.
2. The home has lacked electricity since August 28, 2014 which is required by City Code 10.3.05 Subd. 2 Subp. E.
3. The house has settled onto the crawl space and is no longer supported on the actual foundation on which the home was originally constructed indicating a complete foundation failure.
4. The floor system inside of the home is structurally compromised due to water infiltration from insufficient roof covering.
5. Roof, ceiling, and wall framing are structurally compromised due to rot and decay of these building elements due to water intrusion due to insufficient roof covering.

**WHEREAS**, the conditions listed above, which are more fully documented in the Building Inspection photos and Report prepared by Building Official Matt Munter on May 18, 2015, a copy of which is attached hereto as Exhibit A, which conditions have further deteriorated to date, make clear that due to neglect and deterioration, the residence located on the property at 316 20<sup>th</sup> Street endangers and constitutes a hazard to public health and safety, and also presents a danger as a fire hazard, and is therefore declared to be a Public Nuisance and Hazardous Building; and

**WHEREAS**, the legal description for 316 20<sup>th</sup> Street is as follows:

**Lot 4, Block 1, LALONDE'S SECOND ADDITION to Cloquet,  
according to the plat thereof on file and of record in the office of the  
County Recorder, Carlton County, Minnesota.  
(PID No. 06-210-0080, ABSTRACT).**

**WHEREAS**, the owner of record of said property is High Mark Management, LLC, a Minnesota limited liability company (Herein OWNER), which took possession under a Warranty Deed dated August 30, 2016, recorded January 12, 2017 as Document No. A000472471 in the Carlton County Recorder's Office, executed pursuant to a Purchase Agreement dated August 30, 2016 in which OWNER agreed to comply with a prior Order to Remove Vacant Hazardous Building issued by the City Building Official against the previous owner dated May 28, 2015; and

**WHEREAS**, OWNER has failed to comply with the prior Order, and has also failed to respond to City attempts at contact with Owner by letter dated September 18, 2017 and by letter from the City Attorney dated May 8, 2018; and

**WHEREAS**, the City may proceed with demolition of the Hazardous Building by signed Consent from OWNER or by Judgment of the District Court, allowing City to perform any demolition and cleanup that is necessary, to remove the Public Nuisance and Hazardous Building, and to charge any costs thereby incurred by the City as a special assessment against the property, payable in a single installment; and

**WHEREAS**, the property is vacant and has been secured by OWNER, and there are no occupying tenants; and

**WHEREAS**, pursuant to a search of the records of the Carlton County Recorder's Office, the City does not find and is not aware of any lienholder of record of said parcel other than Carlton County for delinquent property taxes in the amount of \$995.03 as of November 12, 2018; and

**WHEREAS**, bids for complete demolition and cleanup of the residence which constitutes a Public Nuisance and Hazardous Building at 316 20<sup>th</sup> Street have been received in amounts ranging from \$5,980.00 to \$8,900.00;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, as follows:

1. That pursuant to the foregoing findings and in accordance with Cloquet City Code § 7.1.07, and Minn. Stat. § 463.151 or § 463.16 (as appropriate), the Council orders the demolition and cleanup of the residence at 316 20<sup>th</sup> Street, which constitutes a Public Nuisance and Hazardous Building, which cleanup shall be commenced by OWNER within 20 days from the date of service of this Resolution/Order upon OWNER.
2. OWNER has 20 days from the date of service of this Resolution/Order to serve an answer in the manner provided for the service of an answer in a civil action, specifically denying such facts in the Resolution/Order as are in dispute; or to provide to City a signed Consent to Enter Property for Removal of Public Nuisance and Vacant Hazardous Building; or to commence with demolition and cleanup.
3. The City Attorney shall file a copy of this Resolution/Order, with proof of service attached, with the Carlton County District Court within 14 days of service upon the OWNER, and shall at the same time file for record with the County Recorder a Notice of Pendency of the proceeding, and shall file a motion for summary enforcement of this Resolution/Order one week thereafter unless OWNER has taken corrective action, or has provided the City with a signed Consent to Enter Property for Removal of Public Nuisance and Vacant Hazardous Building, or unless an answer has been filed.
4. Upon receipt by City of a signed Consent to Enter Property for Removal of Public Nuisance and Vacant Hazardous Building, or upon entry of judgment by the Carlton County District Court allowing enforcement of the Resolution/Order, demolition and cleanup of the Public Nuisance and Hazardous Building shall be commenced by the City or any of its designated agents as soon thereafter as is reasonably possible.

5. That in accordance with Minn. Stat. § 463.21 & § 463.24, when said Public Nuisance and Hazardous Building is cleaned up and removed by the City, the City may sell personal property, fixtures, and/or salvage materials at public auction after three days posted notice, or if without appreciable value, the City may destroy the same.
6. That the Council approves payment of up to \$5,980.00 in demolition and cleanup costs by the City which will be specially assessed against the property and collected in accordance with Minn. Stat. §§ 463.151, and 463.21, and shall be payable in a single installment.
7. That the City Attorney is authorized to proceed with the preparation of all documents and the taking of all actions necessary for enforcement of this Resolution/Order, including the filing of an action in the District Court for any appropriate Order needed.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 20<sup>TH</sup> DAY OF NOVEMBER 2018.**

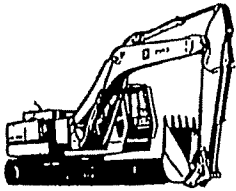
---

Dave Hallback, Mayor

ATTEST:

---

Aaron Reeves, City Administrator



# D & B TRUCKING and EXCAVATING

2430 County Rd. 5, Carlton, MN 55718  
Ph. 218-384-3833



PROPOSAL SUBMITTED TO <i>City of Cloquet</i>	PHONE	DATE <i>10/23/18</i>
STREET	JOB NAME	
CITY, STATE AND ZIP CODE <i>Cloquet, Minn. 55720</i>	JOB LOCATION <i>316 20<sup>th</sup> Street</i>	

We hereby submit specifications and estimates for:

*House Demolition:*

*Remove and Dispose of House*

*Remove House Footings*

*Fill crawl space to level existing grade*

*Asbestos Testing*

*Disconnect Water & Sewer*

*\$9900.00*

*Asbestos Abatement if needed.*

*Estimate only*

*\$3200.00*

*- Curbside -*

Payment to be

*not @ main  
Center  
Street*

in accordance with above specifications, for the sum of:

\_\_\_\_\_ dollars (\$ \_\_\_\_\_).

All material is to be removed and disposed of at the contractor's expense. All costs will be extra to carry fire, liability, and pollution coverage. (a) Any person who contracts for work shall be responsible for obtaining all necessary permits and licenses. (b) Unless otherwise specified, all work shall be completed within the time specified in the proposal. (c) The contractor shall be responsible for obtaining all necessary permits and licenses. (d) The contractor shall be responsible for obtaining all necessary permits and licenses.

in accordance with standard practices. Any alteration or deviation from above specifications involving extra work shall be at the contractor's expense. All agreements contingent upon strikes, accidents or delays beyond our control. Owner shall be responsible for obtaining all necessary permits and licenses.

Improvement to your property may file a lien against your property if that property is not paid for within the time specified in the proposal.

Accounts 30 days past due will be charged 1.5%.

Authorized Signature: *David Mraz Pres.*

Note: This proposal may be withdrawn by us if not accepted within \_\_\_\_\_ days.

**Acceptance of Proposal** - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance: \_\_\_\_\_

Signature \_\_\_\_\_

Signature \_\_\_\_\_

## Holly Hansen

---

**Subject:** 316 20th Street Demo

**From:** David Chmielewski <dave@blackhoof.com>  
**Sent:** Monday, October 29, 2018 2:08 PM  
**To:** Holly Hansen <HHansen@cloquetmn.gov>  
**Subject:** 316 20th Street Demo

Holly,

thank you for the opportunity to provide you with a quote on this project.

Our estimate for demolition of this property is as follows:

### Tasks

Remove and dispose of house and garage Remove and dispose of foundation and slabs  
Cap sewer and water at the public sidewalk. Mark locations for future use.  
Fill foundation hole with sand, cap with topsoil seed and stabilize.  
Haul away brush and debris in front yard.

### Assumptions:

All demolition material is suitable for a demolition landfill. No asbestos remediation required. New city sidewalk replacement included or required.

Estimated Cost \$5980

Sincerely,  
David Chmielewski  
Land logic Inc  
2020 14th Street  
Suite A  
Cloquet Minnesota 55720  
218-310-9229

### Please Note New Email Address

**Holly Hansen, EDFP/AICP Community Development Director**  
City of Cloquet  
1307 Cloquet Avenue  
Cloquet, MN 55720  
218.879.2507 x4  
[hhansen@cloquetmn.gov](mailto:hhansen@cloquetmn.gov)  
<https://www.facebook.com/cloquetcommunitydevelopment/>





Community Development Department  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

September 18, 2017

HighMark Management LLC  
1001 Stanley Ave.  
Cloquet, MN 55720

HighMark Management LLC  
C/O Dustin Mason  
1706 Maplewood Ave.  
Cloquet, MN 55720

**RE: VACANT HAZARDOUS BUILDING: Order to Remove  
316 20th Street (PIN 06-210-0080)**

After working closely with the City to assist you with the sale of this property from the prior owner Mr. Frank who had a standing order to tear down this home by end of 2015, you were aware at the point of purchase in March 2016, that you purchased a property with a standing order to be torn down and communicated that you would do so. This letter not only serves as a reminder but provides you a deadline which to demolish the home. The City also notes that thus far the 2017 taxes on this property have not been paid.

The building or structure located at 316 20<sup>th</sup> Street in the City of Cloquet, County of Carlton, and State of Minnesota, legally described as follows, to wit:

**Lot 4, Block 1, LALONDES SECOND ADDITION TO THE  
CITY OF CLOQUET, according to the Plat thereof on file and  
of record in the office of the County Recorder, in and for  
Carlton County, Minnesota,**

is ordered to be demolished due to structural foundation failure per City Code § 10.3.07 Subd. 1, City Code §§ 7.1.01 to 7.1.07, and Minn. Stat. §§ 463.15 to 463.161. An interior and exterior inspection was conducted on this building May 18, 2015 by the Cloquet Building official and Cloquet Area Fire District Chief. That inspection concluded the following:

**Case Facts:**

1. The home has lacked water and sewer utility service since **June 12, 2014** which is required by Cloquet City Code Section 10.3.05 Subd. 2 Subp. B. The City of Cloquet posted this building as UNFIT FOR HUMAN HABITATION on June 24, 2014.
2. The home has lacked electricity since August 28, 2014 which is required by City Code 10.3.05 Subd. 2 Subp. E.



Community Development Department  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

3. The house has settled onto the crawl space and is no longer supported on the actual foundation on which the home was originally constructed. This is indicative of a complete foundation failure.
4. The floor system inside of the home is structurally compromised due to water infiltration from insufficient roof covering.
5. Roof, ceiling, and wall framing are structurally compromised due to rot and decay of these building elements due to water intrusion due to insufficient roof covering.

Case facts lead me to conclude that this structure is not structurally sound, and endangers and constitutes a hazard to public health and safety. The structure is therefore declared to be a Public Nuisance and Hazardous Building.

As Building Official of the City of Cloquet, in accordance with City Code § 10.3.07 Subd. 1, City Code §§ 7.1.01 to 7.1.07, and Minn. Stat. §§ 463.15 to 463.161, I do hereby **order you to remove this structure** within 60 days from the date of receiving this letter (September 18, 2017) or provide to the city a date by which this home will be removed from the property. Options for you to consider include:

1. Pay to demolish on your own expense.
2. Sign legal consent to have city demolish (costs will be assessed against your property to be paid by annual payments over 5 years at 8% interest by State Law).
3. The City could put you in touch with a list of qualified contractors for you to work out a purchase on your own.
4. You could deed the property to the City and work collaboratively with the City to bid out the sale to area contractors qualified to do the demolition and renovation of the property.

Within 20 days from the date of service, any interested person upon whom the order is served may appeal this decision in writing, specifically denying such facts in the order as are in dispute.

Dated this 18<sup>th</sup> day of September 2017.

If you have any questions you may contact me at (218) 879.2507 x2 or [mmunter@cloquetmn.gov](mailto:mmunter@cloquetmn.gov).

Sincerely,

Matt Munter, Building Official

COPY: City Attorney

*Attachments: City Inspection of 316 20<sup>th</sup> Street*



Community Development Department  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

May 28, 2015

Ronald Frank  
316 20<sup>th</sup> ST.  
Cloquet, MN 55720

Ronald Frank  
411 13<sup>th</sup> Street  
Cloquet, MN 55720

**RE: VACANT HAZARDOUS BUILDING: Order to Remove  
316 20th Street (PIN 06-210-0080)**

The building or structure located at 316 20<sup>th</sup> Street in the City of Cloquet, County of Carlton, and State of Minnesota, legally described as follows, to wit:

**Lot 4, Block 1, LALONDES SECOND ADDITION TO THE  
CITY OF CLOQUET, according to the Plat thereof on file and  
of record in the office of the County Recorder, in and for  
Carlton County, Minnesota,**

is ordered to be demolished due to structural foundation failure per City Code § 10.3.07 Subd. 1, City Code §§ 7.1.01 to 7.1.07, and Minn. Stat. §§ 463.15 to 463.161. An interior and exterior inspection was conducted on this building May 18, 2015 by the Cloquet Building official and Cloquet Area Fire District Chief. That inspection concluded the following:

**Case Facts:**

1. The home has lacked water and sewer utility service since **June 12, 2014** which is required by Cloquet City Code Section 10.3.05 Subd. 2 Subp. B. The City of Cloquet posted this building as UNFIT FOR HUMAN HABITATION on June 24, 2014.
2. The home has lacked electricity since August 28, 2014 which is required by City Code 10.3.05 Subd. 2 Subp. E.
3. The house has settled onto the crawl space and is no longer supported on the actual foundation on which the home was originally constructed. This is indicative of a complete foundation failure.
4. The floor system inside of the home is structurally compromised due to water infiltration from insufficient roof covering.
5. Roof, ceiling, and wall framing are structurally compromised due to rot and decay of these building elements due to water intrusion due to insufficient roof covering.



Community Development Department  
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Phone: 218-879-2507 • Fax: 218-879-6555

Case facts lead me to conclude that this structure is not structurally sound, and endangers and constitutes a hazard to public health and safety. The structure is therefore declared to be a Public Nuisance and Hazardous Building.

As Building Official of the City of Cloquet, in accordance with City Code § 10.3.07 Subd. 1, City Code §§ 7.1.01 to 7.1.07, and Minn. Stat. §§ 463.15 to 463.161, I do hereby **order you to remove this structure** within 180 days from the date of receiving this letter (May 28, 2015) or provide to the city a date by which this home will be removed from the property.

Options for you to consider include:

1. Pay to demolish on your own expense.
2. Sign legal consent to have city demolish (costs will be assessed against your property to be paid by annual payments over 5 years at 8% interest by State Law).
3. The City could put you in touch with a list of qualified contractors for you to work out a purchase on your own.
4. You could deed the property to the City and work collaboratively with the City to bid out the sale to area contractors qualified to do the demolition and renovation of the property.

Within 20 days from the date of service, any interested person upon whom the order is served may appeal this decision in writing, specifically denying such facts in the order as are in dispute.

Dated this 28<sup>th</sup> day of May 2015.

If you have any questions you may contact me at (218) 879.2507 x2 or mmunter@ci.cloquet.mn.us.

Sincerely,

Matt Munter, Building Official

*Attachments: City Inspection of 316 20<sup>th</sup> Street*



COMMUNITY DEVELOPMENT DEPARTMENT  
1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555  
www.ci.cloquet.mn.us

### INSPECTION REPORT

  X   BUILDING & HOUSING CODE  
       ZONING CODE

DATE OF INSPECTION: May 18, 2015

INSPECTOR: Matt Munter, Cloquet Building Official; Kevin Schroeder, Cloquet Area Fire District Chief

SITE ADDRESS: 316 20<sup>th</sup> Street

OWNER: Ron Frank

#### INSPECTION FINDINGS:

An Interior inspection showed evidence of the roof leaking for an extensive period of time into this home. Due to water intrusion, the floor system in the west bedroom is completely compromised and is roughly 6 inches from level with the adjacent floor system of the kitchen and is hazardous. The floor system in the east bedroom is structurally failed also as illustrated in attached photos which show interior wall separation. The wall, ceiling, and roof framing is beyond repair due to the extensive rot and decay that has occurred within the home due to insufficient roof covering. The home is sitting on the crawl space which is filled with water. The foundation is no longer structurally sound, as the home's top of the south wall is leaning in the direction of the foundation failure as illustrated in attached photos.

#### FOUNDATION FAILURE OF ALL HOME WALLS



The first photo is the front of the home facing west. The home has settled on the exterior wall and the photo illustrates this settling. The second photo to the right, shows evidence of foundation failure indicated by walls out of plumb (out of proper alignment, not structurally sound, not level).



**COMMUNITY DEVELOPMENT DEPARTMENT**

1307 Cloquet Avenue • Cloquet MN 55720

Phone: 218-879-2507 • Fax: 218-879-6555

[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

**COMPLETE FAILURE OF THE ROOF SYSTEM**



These photos show that there is extensive deterioration of the roof covering and underlayment materials. Furthermore, these photos show there has been no maintenance of the roof for a considerable amount of time, hence, the roof is well past its useful life and has led to deterioration internally of the home.

**INTERIOR FLOOR SEPARATION**



This photo illustrates the main level floor system failure. In this photo, the floor trim is where the floor is supposed to be, however the floor is not and it has actually sunk roughly 6 inches due to the foundation failure of the home.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
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**EVIDENCE OF SYSTEMIC AND CONSISTENT INTERIOR ROT OF WHAT WAS ONCE WALLS OR CEILING COVERINGS**



**EXTENSIVE DEFERRED MAINTENANCE OF GARAGE INCLUDING INSUFFICIENT ROOF COVERING AND BROKEN EAVES (SOFFITS)**



# DANGER

**THIS BUILDING IS DEEMED UNSAFE  
FOR HUMAN OCCUPANCY**

**UNDER SECTION 10.3.07 Subd. 1 OF THE BUILDING CODE  
AND SECTION 10.3.05 Subd. 2 OF THE HOUSING CODE OF THE  
CITY OF CLOQUET, MINNESOTA**

**IT IS UNLAWFUL FOR ANY PERSON TO OCCUPY  
OR RESIDE IN THIS BUILDING**

**DEPARTMENT OF BUILDING  
CITY OF CLOQUET**

  
\_\_\_\_\_  
Building Official

**ANY UNAUTHORIZED PERSON REMOVING THIS  
SIGN WILL BE PROSECUTED**

DATE 5-28-15

Refer to Sec. 10.3.07 Subd. 1 of Building Code  
7.1.01-7.1.07 City Code  
463.15-463.161 State  
Statute





**ADMINISTRATIVE OFFICES**

1307 Cloquet Avenue • Cloquet MN 55720  
Phone: 218-879-3347 • Fax: 218-879-6555  
www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Nancy Klassen, Finance Director *(Signature)*  
Reviewed by: Aaron Reeves, City Administrator  
Date: November 15, 2018

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**ITEM DESCRIPTION:** Certification of Utility Bills and Miscellaneous Bills

---

**Proposed Action**

Staff recommends the City Council move to adopt **RESOLUTION NO. 18-81, ADOPTING AND CONFIRMING SPECIAL ASSESSMENTS FOR DELINQUENT UTILITIES AND MISCELLANEOUS BILLS.**

**Background/Overview**

Minnesota Statute section 444.075, subd. 3 (e) allows municipal water utilities to certify unpaid water, sewer, storm water and other property charges to the county auditor for collection with property taxes. The certification can be done once a year or more often. The City is certifying semi-annually in 2018.

**Policy Objectives**

The use of this statutory collection method allows the City to enhance revenue collection. The ability to capture these monies has a direct correlation to the City's operating budget.

**Financial/Budget/Grant Considerations**

Collection of delinquent utility bills and miscellaneous property charges through the 2019 property tax statements. See attached listing for amount certified.

**Advisory Committee/Commission Action**

Not applicable.

**Supporting Documentation Attached**

- Resolution 18-81.
- Listing of delinquent bills to be certified to Carlton County.

**CITY OF CLOQUET  
COUNTY OF CARLTON  
STATE OF MINNESOTA**

**RESOLUTION NO. 18-81**

**RESOLUTION ADOPTING AND CONFIRMING SPECIAL ASSESSMENTS  
FOR DELINQUENT UTILITIES**

**WHEREAS,** The amount to be specially assessed for delinquent utilities has been calculated in accordance with the provisions of City ordinances and Minnesota Statutes; and

**WHEREAS,** Notices have been duly mailed as required by law; and

**WHEREAS,** Said proposed assessments have at all times since their filing been open for public inspections, and an opportunity has been given to all interested parties to present objections, if any, to the proposed assessments; and

**WHEREAS,** There were no oral or written objections received.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET,**

1. The amounts so calculated and set forth in said notices are hereby levied against the respective parcels of land described therein; and
2. The proposed assessments are hereby adopted and confirmed as special assessments for each of said parcels of land and the assessments shall be a lien concurrent with general taxes upon said parcel.

**BE IT FURTHER RESOLVED,** That the City Administrator be authorized and directed to transmit to the County Auditor a certified duplicate of the assessment roll to be extended upon the property tax lists of the County and the County Auditor shall collect said special assessments with taxes levied in 2018, payable in 2019.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 20TH DAY OF NOVEMBER, 2018.**

\_\_\_\_\_  
Dave Hallback, Mayor

ATTEST:

\_\_\_\_\_  
Aaron Reeves, City Administrator

STATE OF MINNESOTA )  
 COUNTY OF CARLTON )  
 CITY OF CLOQUET )

I, Aaron Reeves, City Administrator of the City of Cloquet, Minnesota, pursuant to Chapter 364 of the Laws of Minnesota for 1909, and Amendments thereto, and pursuant to resolution of the City Council of the City of Cloquet, passed November 20, 2018,

HEREBY CERTIFY, That there is remaining in my office unpaid and for collection the following Utility & Misc. Bills for the 2019 Real Estate Tax payments, against the following lots and tracts of land in the following amounts to-wit:

<u>Parcel ID</u>	<u>Property Address</u>	<u>Invoice/Account Number</u>	<u>Bill Amount</u>	<u>Collection Fee</u>	<u>Total Certified</u>
06-070-0760	1518 SELMSER AVE	0117013400-03	\$ 152.36	\$ 35.00	\$ 187.36
06-045-1980	12 7TH ST APT 2	0121010210-12	19.57	35.00	54.57
06-005-1480	210 2ND ST	0122000500-06	107.57	35.00	142.57
06-105-0080	520 7TH ST	0123012400-03	86.10	35.00	121.10
06-070-0700	1506 SELMSER AVE	0117013700-01	52.05	35.00	87.05
06-290-2920	1215 AVE F	0120009950-03	81.05	35.00	116.05
06-033-0700	911 PROSPECT AVE	0122010900-27	63.13	35.00	98.13
06-260-0440	432 8TH ST	0124001500-15	68.26	35.00	103.26
06-045-2720	216 AVE A	0112007230-03	30.75	35.00	65.75
06-290-2480	1109 CARLTON AVE	0120016100-12	51.68	35.00	86.68
06-165-0140	322 22ND ST	0119000300-14	39.07	35.00	74.07
06-290-4160	121 14TH ST	0120011600-16	184.38	35.00	219.38
06-290-1680	122 10TH ST	0120018600-01	210.33	35.00	245.33
06-045-1540	21 5TH ST	0121012200-11	70.20	35.00	105.20
06-005-1360	215 3RD ST	0122001300-04	29.59	35.00	64.59
06-033-0700	911 1/2 PROSPECT AVE	0122011000-31	116.71	35.00	151.71
06-145-1080	340 6TH ST/APT A	0124012100-18	45.10	35.00	80.10
06-070-0100	1610 CARLTON AVE	0119011900-11	22.05	35.00	57.05
06-210-0080	316 20TH ST	11950	75.00	35.00	110.00
06-045-7860	419 GRANITE ST	0111004800-08	256.82	35.00	291.82
06-120-0380	219 ST LOUIS AVE	0112007180-03	283.60	35.00	318.60
06-045-2680	324 AVE A	0112007450-01	321.08	35.00	356.08
06-045-2540	315 AVE B	0112007800-09	189.12	35.00	224.12
06-045-5640	217 AVE E	0112016800-00	190.74	35.00	225.74
06-015-0480	745 LARCH ST	0114013400-12	240.15	35.00	275.15

06-110-1720	103 17TH ST	0118011500-20	176.70	35.00	211.70
06-110-1720	103 17TH ST	0118011550-00	316.98	35.00	351.98
06-290-2440	1115 CARLTON AVE	0120016000-03	638.77	35.00	673.77
06-145-0060	802 CARLTON AVE	0124017700-02	907.34	35.00	942.34
06-045-3620	207 AVE C	0126002500-01	1,171.59	35.00	1,206.59
06-045-3620	207 AVE C	0126002510-00	1,239.73	35.00	1,274.73
06-185-0080	1515 CLOQUET AVE	0126006035-00	110.53	35.00	145.53
06-110-0080	1404 CLOQUET AVE	0126008040-08	355.03	35.00	390.03
06-045-2920	115 AVE B	0126011750-00	192.23	35.00	227.23
06-744-0040	1304 HWT 33 S	0126017430-00	1,996.01	35.00	2,031.01
06-155-0200	1706 SAHLMAN AVE	0116009400-02	55.77	35.00	90.77
06-090-0526	508 20TH ST	0116017700-02	292.87	35.00	327.87
06-070-0920	415 17TH ST	0117012800-02	45.51	35.00	80.51
06-290-1680	122 10TH ST	0120018600-02	84.19	35.00	119.19
06-060-0240	320 SCANLON WAY	0160004900-00	61.20	35.00	96.20
06-510-7812	GRAVEL PIT	0160006400-00	224.80	35.00	259.80
06-060-1240	GARAGE ON HWY 45	0160089600-00	55.00	35.00	90.00
06-510-7790	MOOREHEAD PIT	0160102900-00	734.40	35.00	769.40
06-275-1160	NELSON'S SUBDIVISION	0160104300-01	48.80	35.00	83.80
06-710-0080	1288 ROBERT ST	260016000	100.80	35.00	135.80
06-510-7980	1362 LAWRENCE RD	260022500	100.80	35.00	135.80
06-530-8560	1422 LAWRENCE RD	260033500	100.80	35.00	135.80
06-510-0636	620 KALLSTROM RD	260074800	100.80	35.00	135.80
06-510-8060	1565 MOORHEAD RD	260041900	93.60	35.00	128.60
06-510-7800	1611 MOORHEAD RD	260043700	93.60	35.00	128.60
06-510-8330	2402 14TH ST	260057500	93.60	35.00	128.60
06-510-0661	303 FREEMAN RD	260065900	89.24	35.00	124.24
06-750-0100	1461 CARL STREET	260034900	88.00	35.00	123.00
06-750-0160	1473 CARL ST	260036300	87.20	35.00	122.20
06-510-0505	375 FREEMAN RD	260071500	62.10	35.00	97.10
06-510-2610	294 PREVOST RD	260065200	61.98	35.00	96.98
06-510-1970	280 HIGHWAY 33 N	260005300	60.00	35.00	95.00
06-510-3920	1 CONNOR RD	260010300	60.00	35.00	95.00
06-510-4025	11 BREVATOR RD	260010900	60.00	35.00	95.00

06-510-3960	11 WUOLLET RD	260011100	60.00	35.00	95.00
06-510-3340	111 RESERVATION RD	260011500	60.00	35.00	95.00
06-510-4622	116 UNIVERSITY RD	260012100	60.00	35.00	95.00
06-710-0380	1191 W LAWRENCE RD	260012700	60.00	35.00	95.00
06-510-3105	122 RESERVATION RD	260014600	60.00	35.00	95.00
06-710-0100	1286 1/2 ROBERT ST	260015200	60.00	35.00	95.00
06-710-0960	1297 ROBERT ST	260017000	60.00	35.00	95.00
06-510-3290	133 RESERVATION RD	260021200	60.00	35.00	95.00
06-510-7940	1356 LAWRENCE RD	260021700	60.00	35.00	95.00
06-570-0400	1360 ROLAND RD	260022100	60.00	35.00	95.00
06-570-0360	1364 ROLAND RD	260023000	60.00	35.00	95.00
06-560-0320	1367 LAWRENCE RD	260023300	60.00	35.00	95.00
06-570-0320	1368 ROLAND RD	260023600	60.00	35.00	95.00
06-679-0060	1372 LAWRENCE ROAD	260024500	60.00	35.00	95.00
06-560-0200	1381 LAWRENCE RD	260026100	60.00	35.00	95.00
06-580-0080	1386 DAVID RD	260027000	60.00	35.00	95.00
06-570-0500	1391 ROLAND RD	260027900	60.00	35.00	95.00
06-570-0060	1392 ROLAND RD	260028100	60.00	35.00	95.00
06-570-0460	1395 ROLAND RD	260028500	60.00	35.00	95.00
06-580-0720	1395 STEPHEN RD	260028600	60.00	35.00	95.00
06-590-0300	1405 JANIS RD	260029400	60.00	35.00	95.00
06-510-8281	1410 ROLAND RD	260030800	60.00	35.00	95.00
06-510-8400	1417 LAWRENCE RD	260032300	60.00	35.00	95.00
06-590-0200	1420 JOHN ROAD	260032800	60.00	35.00	95.00
06-510-8370	1421 LAWRENCE RD	260033100	60.00	35.00	95.00
06-510-8390	1423 LAWRENCE RD	260033700	60.00	35.00	95.00
06-520-8437	1426 LAWRENCE RD	260033900	60.00	35.00	95.00
06-750-0020	1462 CARL ST	260035200	60.00	35.00	95.00
06-510-7771	1464 ANN ST	260035400	60.00	35.00	95.00
06-750-0120	1469 CARL ST	260035900	60.00	35.00	95.00
06-510-6375	1471 SPRING LAKE RD	260036100	60.00	35.00	95.00
06-510-8095	1515 MOORHEAD RD	260038200	60.00	35.00	95.00
06-586-0020	1522 SPRING LAKE RD	260039000	60.00	35.00	95.00
06-510-3070	1529 LOCKLING RD	260039200	60.00	35.00	95.00

06-675-0180	1556 WHITE PINE TRL	260041300	60.00	35.00	95.00
06-510-7654	1575 BRUMMER DR	260042400	60.00	35.00	95.00
06-510-7649	1579 BRUMMER DR	260042700	60.00	35.00	95.00
06-510-3220	165 BREVATOR RD	260044800	60.00	35.00	95.00
06-510-4070	1721 BIG LAKE RD	260046800	60.00	35.00	95.00
06-510-4140	1751 BIG LAKE RD	260047400	60.00	35.00	95.00
06-510-4211	1755 BIG LAKE RD	260047500	60.00	35.00	95.00
06-725-0420	1763 MAPLE HILL DR	260048500	60.00	35.00	95.00
06-510-4219	1769 BIG LAKE RD	260048800	60.00	35.00	95.00
06-510-4215	1775 BIG LAKE RD	260049300	60.00	35.00	95.00
06-510-4305	1796 BIG LAKE RD	260049900	60.00	35.00	95.00
06-510-2975	180 RESERVATION RD	260050000	60.00	35.00	95.00
06-510-3830	1813 BIG LAKE RD	260050600	60.00	35.00	95.00
06-510-3790	1817 BIG LAKE RD	260050700	60.00	35.00	95.00
06-510-3570	1818 JARVI RD	260050800	60.00	35.00	95.00
06-510-3880	1877 BIG LAKE RD	260051800	60.00	35.00	95.00
06-510-4020	21 BREVATOR RD	260053900	60.00	35.00	95.00
06-510-4880	22 RESERVATION RD	260054600	60.00	35.00	95.00
06-510-2405	232 ENGLISH RD	260055900	60.00	35.00	95.00
06-740-0280	234 HIGHWAY 33 N	260056100	60.00	35.00	95.00
06-510-2380	234 ENGLISH RD	260056600	60.00	35.00	95.00
06-510-2740	238 LAINE RD	260056800	60.00	35.00	95.00
06-510-4260	25 SWANSON RD	260059200	60.00	35.00	95.00
06-530-8550	2502 14TH ST	260059400	60.00	35.00	95.00
06-725-0480	2513 OTTER CREEK DR	260060100	60.00	35.00	95.00
06-725-0180	2516 OTTER CREEK DR	260060300	60.00	35.00	95.00
06-510-2560	252 LAINE RD	260060500	60.00	35.00	95.00
06-743-0640	2581 14TH ST	260062300	60.00	35.00	95.00
06-510-2095	261 HIGHWAY 33 N	260062800	60.00	35.00	95.00
06-510-1730	263 FREEMAN RD	260062900	60.00	35.00	95.00
06-510-1370	275 JACKPINE DRIVE	260064100	60.00	35.00	95.00
06-510-1990	292 HIGHWAY 33 N	260065000	60.00	35.00	95.00
06-510-0473	306 N HIGHWAY 33	260066200	60.00	35.00	95.00
06-510-0662	311 FREEMAN RD	260066500	60.00	35.00	95.00

06-060-1265	319 SCANLON WAY	260066800	60.00	35.00	95.00
06-510-0494	325 PREVOST ROAD	260067500	60.00	35.00	95.00
06-510-0540	353 FREEMAN RD	260069700	60.00	35.00	95.00
06-510-0300	354 FREEMAN RD	260069800	60.00	35.00	95.00
06-510-0304	360 FREEMAN RD	260070400	60.00	35.00	95.00
06-510-0275	365 PREVOST RD	260070700	60.00	35.00	95.00
06-510-0060	370 ST LOUIS RIVER RD W	260071000	60.00	35.00	95.00
06-510-0050	373 CROSBY RD	260071200	60.00	35.00	95.00
06-510-0296	374 FREEMAN RD	260071300	60.00	35.00	95.00
06-510-4480	47 RESERVATION RD	260073700	60.00	35.00	95.00
06-510-0524	633 KALLSTROM RD	260075300	60.00	35.00	95.00
06-510-6095	724 HANTZ RD	260076600	60.00	35.00	95.00
06-510-4990	956 TRETTEL LN	260077600	60.00	35.00	95.00
06-510-4760	959 TRETTEL LN	260077800	60.00	35.00	95.00
06-510-5060	983 PINWOOD DR	260078900	60.00	35.00	95.00
06-510-5095	999 PINWOOD DR	260079500	60.00	35.00	95.00
06-510-1750	06-510-1750	260080100	60.00	35.00	95.00
06-725-0080	1571 BRUMMER DR	260101700	60.00	35.00	95.00
06-510-2660	243 LAINE RD	260101800	60.00	35.00	95.00
06-510-0015	385 CROSBY RD	260102600	60.00	35.00	95.00
06-510-2375	236 ENGLISH RD	260103800	60.00	35.00	95.00
06-510-7491	1975 MOORHEAD RD	260105200	60.00	35.00	95.00

	<u>60.00</u>	<u>35.00</u>	<u>95.00</u>
\$	<u>18,346.43</u>	\$	<u>5,215.00</u>
		\$	<u>23,561.43</u>