



**CITY OF CLOQUET
City Council Agenda
Tuesday, September 1, 2020**

**Work Session 6:00 p.m.
Regular Council 7:00 p.m.**

VIA TELECONFERENCE
To access meetings, dial 1(571) 317-3122
Access Code 602-267-877

6:00 WORK SESSION

- Zoning Discussion Regarding Chickens

1. **Roll Call**
2. **Pledge of Allegiance**
3. **Approval of Agenda**
 - a. Approval of September 1, 2020 Council Agenda
4. **Approval of Council Minutes**
 - a. Work Session minutes from the August 18, 2020 meeting
 - b. Regular Council minutes from the August 18, 2020 meeting
5. **Public Comments**

Please give your name, address, and your concern or comments. Visitors may share their concerns with the City Council on any issue of public business. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual or successive individual's presentation if they become redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the City Council. No action will be taken at this time.
6. **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. 20-56, Authorizing the Payment of Bills and Payroll
 - b. Optional 2AM Liquor License Renewal – Lumberjack Lounge



**CITY OF CLOQUET
City Council Agenda
Tuesday, September 1, 2020**

**Work Session 6:00 p.m.
Regular Council 7:00 p.m.**

7. Public Hearings

None.

8. Presentations

None.

9. Council Business

- a. Resolution No. 20-57, Providing for the Sale of \$1,860,000 General Obligation Water and Sewer Revenue Bonds, Series 2020A; and Resolution No. 20-59, Authorizing the City to Enter into a Credit Enhancement Program Agreement with the Minnesota Public Facilities Authority
- b. CARES Aid Expenditures
- c. Resolution No. 20-58, Accepting the Feasibility Study and Setting a Public Hearing Date on the Proposed 2021/2022 Improvement of 14th Street
- d. Pine Valley Arena Update and Change Order
- e. CAFD Board Chair Resignation Discussion
- f. Utility Rate and CIP Discussion
- g. 2021 Preliminary Budget Review

10. Council Comments, Announcements, and Updates

11. Adjournment



COMMUNITY DEVELOPMENT DEPARTMENT

1307 Cloquet Avenue • Cloquet MN 55720

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

www.cloquetmn.gov

To: Mayor and City Council
From: Al Cottingham, City Planner/Zoning Administrator
Reviewed/Approved By: Tim Peterson, City Administrator
Date: August 26, 2020

ITEM DESCRIPTION: Zoning Discussion for Chickens

Attached are copies of reports and the minutes from the Work Sessions from March, April and May, 2019 regarding the keeping of chickens within the City of Cloquet.

At that time, we were looking at lots of ½ acre (21,780 sq. ft.) in size in the R1 – Single Family Residence District and the SR – Suburban Residential District. It was estimated that there are approximately 100 lots in the R1 District and 200 lots in the SR District. There was also discussion for allowing them in either of those districts with the minimum lot size if they were adjacent to the FR – Farm Residential District. It was estimated that there were approximately 30 of those such lots.

In 2012 the Planning Commission put together a “Chicken License Regulations” as part of the discussion at that time. A copy of that is also attached. It talks about a maximum of 5 chickens, no roosters. They must be kept in a coop and pen with no roaming freely around the property. Distance from abutting properties and a petition signed by property owners within 100 feet of the property stating they are Ok with the keeping of chickens.

Staff will be available to discuss this with the Mayor and City Council at your Work Session on September 1, 2020.



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To: Mayor and City Council
From: Al Cottingham, City Planner/Zoning Administrator
Reviewed/Approved By: Aaron Reeves, City Administrator
Date: March 13, 2019

ITEM DESCRIPTION: Zoning Discussion for Chickens

Approximately seven years ago the Planning Commission and City Council discussed the possibility of allowing chickens to be kept within all residential areas within the city. After much work by a committee of the Planning Commission, a public hearing for an Ordinance amendment the City Council decided not to take any action on it.

This issue has again come up and prior to the Planning Commission spending lots of time on it only to be turned away by the City Council they have asked for some input from the City Council. They would propose allowing a maximum of 5 laying hens on a lot that was at least ½ acre in size in either the R1 – Single Family Residence District or the SR – Suburban Residential District. An ½ acre lot would be approximately 120 ft. x 180 ft. so the small lots in most of the older portions of town would not be able to have them.

Cloquet City Council Work Session

Tuesday, March 19, 2019

Present: D. Koski, S. Lamb, K. Kolodge, S. Langley, L. Wilkinson, Mayor Maki

Absent: W. Carlson

Staff: Reeves, Barclay, Cottingham, Peterson

Tour of Public Works Garage

Council members began the Work Session at the Public Works Garage to help lay the groundwork as we move forward with an RFP for the new Public Works Garage project.

City Clerk Position Discussion

City Administrator Reeves explained the role of the Deputy City Clerk has grown over the years to a City Clerk and moving away from administrative assistant duties. Mr. Reeves has updated the job description and has compared it other city's and is recommending the transition of Kris St. Arnold from the Deputy City Clerk/Administrative Assistant role to City Clerk. Ms. St. Arnold currently performs the universal duties of a City Clerk. This transition results in a pay grade increase from 10 to 12 with a salary increase of less \$3,000. With no objection, the approval will be on the April 2nd agenda.

West End Zoning District

Zoning Administrator Al Cottingham addressed the Council regarding a conditional use permit that was approved allowing the first floor of a commercial building to be converted from retail use to apartment use in the West End Business District. Since that approval, there has been discussion on the interpretation of the conditional use permit and if it is consistent with the intent of the Historic Commercial Zoning District. Mr. Cottingham is asking for discussion and feedback from council on the clarification of the current ordinance to avoid future confusion.

Mr. Cottingham presented Council with 4 options to be pursued with the Planning Commission. Discussion followed regarding available grants for businesses to develop in that district and how they could be affected. Ideally, storefronts are what we would like to see vs apartments. Concern with preserving the historic appearance was discussed. Mr. Cottingham assured council members that there would be regulations the building owners need to follow in keeping the historic façade. Council agreed to follow the input and recommendations made by the Planning Commission and EDA.

Zoning Discussion for Chickens

Zoning Administrator Al Cottingham would like feedback from council on amending the ordinance which allows for chickens. The Planning Commission is proposing allowing a maximum of 5 laying hens on a lot that is at least ½ acre in size either in the R1-Single Family Residents District or the SR-Suburban Residential District. Council members questioned how many households this would affect, if letters have been sent out and responses received. Councilors agreed they are interested in allowing chickens on the larger lot sizes. Mr. Cottingham will bring back information on how many lots this would be allowed on for further discussion with the Council.



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To: Mayor and City Council
From: Al Cottingham, City Planner/Zoning Administrator
Reviewed/Approved By: Aaron Reeves, City Administrator *AR*
Date: April 10, 2019

ITEM DESCRIPTION: Zoning Discussion for Chickens

At the City Council Work Session on March 19, 2019 the Council inquired as to the approximate number of properties that would allow chickens based on the discussions of allowing them in the R1 – Single Family Residence District and the SR – Suburban Residential District lots that were ½ acre in size. In reviewing the Zoning Map and lot sizes there are approximately 100 R1 lots generally located south of Washington Avenue and Big Lake Road. There are approximately 200 SR lots generally located south of the college and south of Big Lake Road.

Staff is looking for a comfort level from the City Council if an Ordinance Amendment was brought forward that would allow Chickens in these two districts subject to conditions.

Cloquet City Council Work Session

Tuesday, April 16, 2019

Present: W. Carlson, D. Koski, S. Lamb, K. Kolodge, S. Langley, L. Wilkinson, Mayor Maki

Absent: None

Staff: Reeves, Klassen, Barclay, Cottingham, Anderson, Peterson, Hansen, Sorenson

Zoning Discussion - Chickens

Further discussion on changing the zoning ordinance to allow for chickens in the SR and R1 districts took place. As requested by Council, Zoning Administrator Cottingham reported approximately 300 lots would be involved in the amendment. Mr. Cottingham stated the last time this issue came up, a petition needed to be signed showing 75% support.

Councilors Lamb and Langley expressed their concern of the potential issue of dogs attacking chickens.

Councilors directed Mr. Cottingham to research the number of SR and R1 properties that abut the Farm Residential districts and could have chickens if the ordinance was changed.

Human Resources Update

Human Resources Director James Barclay gave an overview of City personnel and provided an organizational chart breaking down departments. Mr. Barclay also reviewed employee benefits and wages, labor relations and the upcoming leadership development training that will start in May for supervisors.

Library Update

Library Director Beth Sorenson gave an overview of the library programs offered and indicated they have added staff and space to meet the needs of their growth. Ms. Sorenson stated 30% of summer reading program participants come from other communities as well as 40% of adult participants.

Ms. Sorenson next gave an overview of the Library goals set for 2019-2021.

Ms. Sorenson expressed the need for continued support from the Council and encouragement for library staff, volunteers, and boards to continue efforts because of the amount of responsibility to provide services to the citizens.

Finance Department Update

Nancy Klassen, Finance Director, gave a review of the City's Finance Department roles and responsibilities as well as a staff overview. Ms. Klassen noted the department is looking at 3 retirements within the next 3 years and the changes and challenges that will accompany those retirements. She is also looking into the development of an Assistant Finance Director position in the near future and will be looking for Council approval.

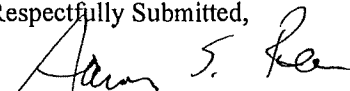
Miss Klassen stated the main job of the Finance Department is to maintain accountability and fiscal sustainability.

Other Discussion

City Administrator Reeves stated the May 7th Work Session will finish department presentations and discuss Council's individual goals and objectives.

There being no further business, the meeting adjourned at 6:46 p.m.

Respectfully Submitted,


Aaron Reeves
City Administrator



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To: Mayor and City Council
From: Al Cottingham, City Planner/Zoning Administrator
Reviewed/Approved By: Aaron Reeves, City Administrator *AR*
Date: May 15, 2019

ITEM DESCRIPTION: Zoning Discussion for Chickens

At the April 16, 2009 City Council Work Session, the Council inquired as to the approximate number of properties that would allow chickens based on the discussions of allowing them in the R1 – Single Family Residence District and the SR – Suburban Residential District lots that were ½ acre in size that abutted the Farm Residential District. In reviewing the Zoning Map and lot sizes there are approximately 30 such lots.

Based on these findings and the few properties that could take advantage of the change, staff has decided that it would not be worth changing the Ordinance. Following all the discussions at prior work sessions, staff would like to leave the Ordinance as is.

Cloquet City Council Work Session

Tuesday, May 21, 2019

Present: W. Carlson, D. Koski, S. Lamb, K. Kolodge, L. Wilkinson, Mayor Maki

Absent: S. Langley

Staff: Reeves, Barclay, Klassen, Peterson, Cottingham, Ferrell

Summary of Council Goals

City Administrator Reeves provided a summary of the 2019 City Council goals as discussed at the May 7th Work Session. Discussion followed on steps that staff will take to address the goals. Council will be provided status updates throughout the year.

Continued Zoning Discussion for Chickens

Per Council request, City Zoning Administrator Al Cottingham reported the number of properties that would allow chickens based on the discussions of allowing them in the R1-Single Family Residence District and the SR-Suburban Residential District lots that were ½ acre in size that abutted the Farm Residential District is approximately 30 lots. Council agreed not to change the ordinance.

Other Discussion

Mr. Reeves stated CAT7 will be back online next week after equipment has been moved to the new location and the high-definition equipment is installed.

There being no further business, the meeting adjourned at 6:50 p.m.

Respectfully Submitted,

Aaron Reeves
City Administrator

CHICKEN LICENSE REGULATIONS

Each person holding a license to keep chickens within the City of Cloquet residential zones shall comply with the following:

1. The principle use of the property where the chickens are kept is a single family dwelling.
2. No resident shall keep more than five (5) chickens (laying hens). No roosters are allowed. No chickens shall be raised for meat and slaughtered within the City.
3. No person shall slaughter a chicken in a residential zone.
4. No person shall keep chickens inside a residential dwelling.
5. Chickens shall be kept in a secure and well ventilated roofed enclosed structure. The roofed structure shall be fully enclosed, wind proof, have one square foot of window to 15 square feet of floor space. The floors and walls of the structure shall be kept clean and sanitary with all droppings and body excrements collected and disposed of properly.
6. A fenced enclosure may be attached to the coop to allow an outside area. The enclosure shall be secure so the chickens cannot get out and roam. These areas shall be kept clean and sanitary.
7. A floor area or combination of the floor and fenced yard area for keeping chickens shall not be less than 10 square feet of floor space per chicken.
8. Chickens are not allowed to roam the area freely.
9. No coop and enclosed fenced yard shall be located closer than 25 feet to a residential dwelling on adjacent lots.
10. Building permits are not required for structures less than 200 square feet. An electrical permit is required for branch wiring to an accessory building.
11. Coops and enclosed fenced yards cannot be located in the front yard and must meet all minimum setbacks from property lines and structures.
12. Written consent of at least 75% of the property owners or occupants within one hundred (100) feet of the property must be submitted with the initial application.

Cloquet City Council Work Session

Tuesday, August 18, 2020

Present: B. Carlson, S. Lamb, C. Swanson, K. Kolodge, L. Wilkinson, Mayor Maki

Absent: S. Langley

Staff: T. Peterson, J. Barclay, N. Klassen, C. Peterson, H. Hansen

2019 Audit

Finance Director Nancy Klassen gave a summary of the 2019 audit report. The full report is on the City's website on the Finance page. The report is being submitted to the GFOA certificate program for the 14th year. Financial highlights are as follows:

Revenues

- Property taxes had a 1.5% or \$45,000 levy decrease
- Sales tax collections of \$1,032,686, an increase from 2018
- Building permits worth \$17.6 million in value issued
- Issued GO bond of \$1.5 million for the library expansion

Expenditures/Expenses

- City Hall and Police Department building project for \$4 million with \$1.8 million spent in 2018 for purchase of MCCU building and \$2.15 spent in 2019 for building remodel
- Library expansion \$950,000
- Water treatment plant for \$7.6 million with \$2.6 million spent in 2018 and \$4.5 million spent in 2019
- Business Park bonds paid off early for \$900,000

Ms. Klassen next reviewed the various funds and gave explanations of their results.

Fund Balance Policy

Ms. Klassen explained the purpose of the Fund Balance Policy is to establish the specific guidelines for the level of fund balances available for current and future spending in the governmental funds. It addresses a minimum level of unrestricted fund balance to be maintained, how unrestricted fund balance can be used and how that fund balance will be replenished if it falls below the minimum level. The City of Cloquet's Fund Balance Policy Plan is based on the 2019 audited balances.

Via Teleconference
7:00 P.M. August 18, 2020

Regular Meeting

DRAFT

Roll Call

Councilors Present: Carlson, Lamb, Swanson, Kolodge, Wilkinson, Mayor Maki

Councilors Absent: Langley

Pledge of Allegiance

AGENDA

MOTION: Councilor Wilkinson moved and Councilor Lamb seconded the motion to approve the August 18, 2020 agenda as presented. The motion carried unanimously (6-0).

MINUTES

MOTION: Councilor Lamb moved and Councilor Carlson seconded the motion to approve the minutes of the Work Session and Regular Meeting of August 4, 2020, and the Special Meeting of August 14, 2020 as presented. The motion carried unanimously (6-0).

PUBLIC COMMENTS

Emily Tracy, 1287 Robert Street, proposed amending City Code to allow chickens. Ms. Tracy has received approximately 1,000 signatures on a petition showing support of an ordinance change to allow chickens. City Administrator Peterson explained that Council has discussed this issue several times over the past seven years, the latest being spring of 2019, with denial each time. Mr. Peterson also stressed the staff time used to pick up this issue again and the importance of ordinance consistency. After much discussion, Council members support another discussion of allowing chickens at the September 1st Work Session.

CONSENT AGENDA

MOTION: Councilor Kolodge moved and Councilor Swanson seconded the motion to adopt the Consent Agenda of August 18, 2020, approving the necessary motions and resolutions. The motion carried unanimously (6-0).

- a. Resolution No. 20-55, Authorizing the Payment of Bills
- b. Prospect Avenue Area Change Order No. 1
- c. Resolution No. 20-52, Approval of Exempt Permit to Conduct a Raffle Event for the Cloquet Community Memorial Hospital Foundation
- d. Resolution Nos. 20-53 and 20-54, Approving Off-Site Gambling for Eagles Aerie #1163 to Conduct Two Raffle Events

PUBLIC HEARINGS

There were none.

PRESENTATIONS

There were none.

ACCEPTANCE OF 2019 AUDIT RESULTS

MOTION: Councilor Carlson moved and Councilor Lamb seconded the motion to accept the 2019 audit results as prepared by Wipfli LLP. The motion carried unanimously (6-0).

APPROVAL OF THE 2020 FUND BALANCE POLICY PLAN

MOTION: Councilor Lamb moved and Councilor Kolodge seconded the motion to approve the 2020 Fund Balance Policy Plan based on the 2019 audited financial statements. The motion carried unanimously (6-0).

2021-2025 CIP DISCUSSION

Public Works Director Caleb Peterson provided an overview of the 2021-2025 CIP. Items reviewed were sales tax projects, pavement management scenarios and review of the 3 CIP drafts.

Fully funded – debt service over initial 5 years creates \$500,000 annual debt payment leaving funding gaps in future years. This requires large levy impact and leaves no flexibility in different budget years.

\$1 million per year was presented. This mostly maintains street condition but again, relies heavily on debt service to pay for projects.

Staff does not recommend a fully funded CIP which assumes all debt for General and Utility Funds, a \$500,000 in debt service per year from the General Fund and limits flexibility in difficult budget years. Staff also does not recommend a \$1 million levy option which is not feasible in the short term without debt. Staff recommends a \$500,000 levy option CIP with no debt issued in the next 5 years, funds primarily come from franchise fees beginning in 2022 or utility rates. Payment condition decreases very slow, but funding is consistent creating a better program.

Council discussed the status of state aid money, street conditions resulting from changing weather trends, and different sales tax options.

2021 PRELIMINARY BUDGET REVIEW

City Administrator Peterson reviewed the proposed budget summaries. Items highlighted include a proposed LGA increase of \$103,100; preliminary estimate of Cloquet's taxable market value increased by 5.12%; preliminary levy increase of 3.58%, assumptions regarding increase in health insurance and wages; park department increases due to the swimming pond and hockey arena cost increases reflective of actuals from previous years and an addition of a part time park employee, and finally, included in the expenditures is a Zoning and Subdivision Ordinance Update.

Mr. Peterson noted the largest change in the 2021 budget compared to previous years is funding for capital projects. For most of the Cloquet's history projects have been funded with cash, rather than debt. Recently, there was a change to this philosophy and projects were planned with bonding dollars rather than cash. This budget draft brings Cloquet back towards cash.

There will be a standing item to discuss the budget on future Council agendas. The Utility fund and rates will be discussed in more detail at the next meeting.

No motion was required by Council.

CAT-7 OPERATIONS AND LETTER OF UNDERSTANDING

MOTION: Councilor Wilkinson moved and Councilor Swanson seconded the motion to approve the Letter of Understanding with Pine Knot, LLC regarding the operation of a public access television station (CAT-7). The motion carried unanimously (6-0).

COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES

There were none.

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

Tim Peterson, City Administrator



ADMINISTRATIVE OFFICES

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REQUEST FOR COUNCIL ACTION

To: Mayor and City Council *MK*
From: Mary Kay Hohensee-Mayer, Assistant Finance Director
Reviewed/Approved by: Tim Peterson, City Administrator
Date: September 1, 2020

ITEM DESCRIPTION: Payment of Bills and Payroll

Proposed Action

Staff recommends the Council move to adopt **RESOLUTION NO. 20-56, A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL.**

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

- Resolution Authorizing the Payment of Bills and Payroll
- Vendor Summary Report
- Department Summary Report

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

RESOLUTION NO. 20-56

A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL

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

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

101	General Fund	\$	429,366.30
206	Revolving SCDP (EDA)		3,353.70
231	Public Works Reserve		30,465.62
260	Landfill Host Fee		2,250.00
403	Revolving Capital Projects		5,027.28
405	City Sales Tax Projects		8,507.50
600	Water - Lake Superior Waterline		42,604.03
601	Water - In Town		61,678.34
602	Sewer Fund		105,788.31
605	Stormwater Fund		993.90
701	Employee Severance Benefits		88.50
	TOTAL:	\$	<u>690,123.48</u>

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET
THIS 1ST DAY OF SEPTEMBER, 2020.**

ATTEST:

Roger Maki, Mayor

Tim Peterson, City Administrator

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
111610	ACME TOOLS	0.00	269.00
111950	ADVANCED DESIGN AWNINGS	2,717.25	3,353.70
116100	AMERICAN PAYMENT CENTERS	190.79	98.79
116975	AMI CONSULTING ENGINEERS PA	9,760.00	6,240.00
117775	ANIMAL ALLIES HUMANE SOCIETY	570.00	1,520.00
118825	AQUA LOGIC, INC	0.00	480.00
119700	ARROWHEAD CONCRETE WORKS, INC.	3,461.21	2,349.35
125700	BEST OIL COMPANY	75,126.12	10,822.75
128075	BRAUN INTERTEC CORP	16,670.00	2,267.50
134000	CARLTON COUNTY HIGHWAY DEPT	6,798.81	990.91
135675	VORK ENTERPRISES INC	4,107.00	130.00
137310	CENTURY LINK	5,667.56	130.37
137340	CHAMBERLAIN OIL CO., INC.	7,044.20	134.90
139025	CINTAS	2,712.33	41.94
139800	CLOQUET AREA CHAMBER OF COMMER	43,904.63	5,510.95
142100	CLOQUET MAIL STATION	620.24	14.69
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	3,233.49
150100	D A L C O	17,664.19	109.38
152775	DELTA DENTAL OF MINNESOTA	25,623.85	3,488.20
155035	DODGE OF BURNSVILLE, INC	29,819.00	28,775.62
161675	EMC NATIONAL LIFE	13,043.05	1,296.25
165375	FERGUSON WATERWORKS #2516	23,016.75	381.76
166525	FIRE SAFETY USA, INC	20,455.49	185.00
166625	FIRST AID CORP	1,391.40	334.16
171100	FRYBERGER, BUCHANAN, SMITH &	74,317.27	12,220.50
172300	GARTNER REFRIGERATION COMPANY	22,106.07	48.74
178500	GUARDIAN PEST SOLUTIONS INC	330.75	47.25
179340	HAGENS GLASS & PAINT	5,074.75	33.00
180500	HAWKINS INC	48,190.23	3,891.24
195700	KGM CONTRACTORS INC	17,543.70	10,295.06
204250	LIFTPRO	520.60	90.73
206800	MACQUEEN EQUIPMENT INC	20,096.54	259.32
209875	MCCOY CONSTRUCTION & FORESTRY	5,215.77	115.63
211300	MENARDS INC	371.07	69.92
211400	MENARDS INC	3,379.38	1,243.68
212055	MEYER GROUP ARCHITECTURE	42,291.11	5,027.28
212700	MID-STATE TRUCK SERVICE INC	2,369.81	271.30
220500	MN DEPT OF HEALTH	17,852.00	8,910.00
236100	NORTHLAND CONSTRUCTORS	1,029,649.86	591.18
242850	PARSONS ELECTRIC LLC	16,531.91	1,021.76
244975	PINE KNOT LLC	4,915.64	790.50
251500	CMH RAITER FAMILY CLINIC	908.28	787.00
262850	SEWING UNLIMITED	922.00	20.00

DATE: 08/27/2020
TIME: 11:14:27
ID: AP442000.WOW

CITY OF CLOQUET
VENDOR SUMMARY REPORT

PAGE: 2

INVOICES DUE ON/BEFORE 09/01/2020
INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
264820	THE SMITH COMPANY INC	6,973.20	3,749.10
269300	STREICHER'S	5,788.69	96.00
270200	SUPERIOR COMPUTER PRODUCTS INC	112,722.96	7,854.00
271325	NANCY GETCHELL	2,318.49	609.62
271975	TEAMSTERS JOINT COUNCIL 32	263,504.64	35,183.34
279100	U S BANK EQUIPMENT FINANCE	5,389.34	550.27
284875	VERIZON WIRELESS	13,371.23	490.14
285500	VIKING INDUSTRIAL CENTER	1,757.71	96.12
286900	W L S S D	675,549.30	82,715.00
287800	WAL-MART COMMUNITY	988.11	99.06
288150	WASTE MANAGEMENT NORTHERN MN	247.92	63.23
R0001277	BURNS MCDONNELL	0.00	2,250.00
R0001357	RADIOLOGISTS ASSOCIATED	0.00	50.00
R0001548	MINIT MART 557	520.00	40.00
R0001703	J J KELLER & ASSOCIATES, INC.	0.00	1,116.75
R0001725	SERENITY FARM DOG BOARDING	180.00	100.00
R0001955	ATOM	0.00	550.00
R0001956	GPM INC	0.00	534.45
R0001957	ULTIMATE PLAYGROUNDS INC	0.00	807.00
R0001958	RINK SYSTEMS	0.00	3,184.65
R0001959	SHELLY RUUSKA	0.00	272.79
R0001960	JEFFREY SCHANZ	0.00	103.65
TOTAL ALL VENDORS:			258,407.97

City of Cloquet
Vendor Summary Report Reconciliation
Invoices Due On/Before 9/1/2020

Bills	258,407.97
Less: CAFD	(2,708.85)
Less: Library	<u>(508.32)</u>
Bills approved	255,190.80
Other:	
Payroll	466,247.39
Payroll - benefits	<u>(31,314.71)</u>
Total Bills and Payroll Approved	<u><u>690,123.48</u></u>

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
00			
152775	DELTA DENTAL OF MINNESOTA	25,623.85	3,399.70
161675	EMC NATIONAL LIFE	13,043.05	1,296.25
271975	TEAMSTERS JOINT COUNCIL 32	263,504.64	26,618.76
			31,314.71
41	GENERAL GOVERNMENT		
139025	CINTAS	2,712.33	13.98
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	410.02
150100	D A L C O	17,664.19	54.69
171100	FRYBERGER, BUCHANAN, SMITH &	74,317.27	12,220.50
211300	MENARDS INC	371.07	69.92
242850	PARSONS ELECTRIC LLC	16,531.91	1,021.76
244975	PINE KNOT LLC	4,915.64	790.50
270200	SUPERIOR COMPUTER PRODUCTS INC	112,722.96	4,444.00
279100	U S BANK EQUIPMENT FINANCE	5,389.34	222.80
284875	VERIZON WIRELESS	13,371.23	490.14
287800	WAL-MART COMMUNITY	988.11	36.21
R0001703	J J KELLER & ASSOCIATES, INC.		1,116.75
	GENERAL GOVERNMENT		20,891.27
42	PUBLIC SAFETY		
117775	ANIMAL ALLIES HUMANE SOCIETY	570.00	1,520.00
125700	BEST OIL COMPANY	75,126.12	2,481.01
135675	VORK ENTERPRISES INC	4,107.00	130.00
139025	CINTAS	2,712.33	13.98
142100	CLOQUET MAIL STATION	620.24	18.97
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	796.36
150100	D A L C O	17,664.19	54.69
251500	CMH RAITER FAMILY CLINIC	908.28	787.00
262850	SEWING UNLIMITED	922.00	20.00
269300	STREICHER'S	5,788.69	96.00
270200	SUPERIOR COMPUTER PRODUCTS INC	112,722.96	1,720.00
271325	NANCY GETCHELL	2,318.49	609.62
271975	TEAMSTERS JOINT COUNCIL 32	263,504.64	8,564.58
279100	U S BANK EQUIPMENT FINANCE	5,389.34	209.36
R0001357	RADIOLOGISTS ASSOCIATED		50.00
R0001548	MINIT MART 557	520.00	40.00
R0001725	SERENITY FARM DOG BOARDING	180.00	100.00

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
42	PUBLIC SAFETY		
R0001955	ATOM		550.00
	PUBLIC SAFETY		17,761.57
43	PUBLIC WORKS		
119700	ARROWHEAD CONCRETE WORKS, INC.	3,461.21	2,349.35
125700	BEST OIL COMPANY	75,126.12	2,721.51
137340	CHAMBERLAIN OIL CO., INC.	7,044.20	79.70
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	259.56
166625	FIRST AID CORP	1,391.40	334.16
172300	GARTNER REFRIGERATION COMPANY	22,106.07	48.74
195700	KGM CONTRACTORS INC	17,543.70	10,295.06
209875	MCCOY CONSTRUCTION & FORESTRY	5,215.77	115.63
211400	MENARDS INC	3,379.38	180.83
212700	MID-STATE TRUCK SERVICE INC	2,369.81	271.30
236100	NORTHLAND CONSTRUCTORS	1,029,649.86	591.18
264820	THE SMITH COMPANY INC	6,973.20	3,749.10
287800	WAL-MART COMMUNITY	988.11	62.85
	PUBLIC WORKS		21,058.97
45	CULTURE AND RECREATION		
118825	AQUA LOGIC, INC		480.00
125700	BEST OIL COMPANY	75,126.12	936.70
137310	CENTURY LINK	5,667.56	121.18
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	619.90
178500	GUARDIAN PEST SOLUTIONS INC	330.75	47.25
179340	HAGENS GLASS & PAINT	5,074.75	33.00
204250	LIFTPRO	520.60	90.73
211400	MENARDS INC	3,379.38	770.72
285500	VIKING INDUSTRIAL CENTER	1,757.71	96.12
R0001956	GPM INC		534.45
R0001957	ULTIMATE PLAYGROUNDS INC		807.00
R0001958	RINK SYSTEMS		3,184.65
	CULTURE AND RECREATION		7,721.70
46	COMMUNITY DEVELOPMENT		

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CITY OF CLOQUET
 DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
46	COMMUNITY DEVELOPMENT		
139800	CLOQUET AREA CHAMBER OF COMMER	43,904.63	5,510.95
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	58.58
279100	U S BANK EQUIPMENT FINANCE	5,389.34	52.33
	COMMUNITY DEVELOPMENT		5,621.86
REVOLVING SCDP (EDA)			
00			
111950	ADVANCED DESIGN AWNINGS	2,717.25	3,353.70
			3,353.70
LIBRARY FUND			
45	CULTURE AND RECREATION		
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	508.32
	CULTURE AND RECREATION		508.32
PUBLIC WORKS RESERVE			
41	GENERAL GOVERNMENT		
270200	SUPERIOR COMPUTER PRODUCTS INC	112,722.96	1,280.00
	GENERAL GOVERNMENT		1,280.00
42	PUBLIC SAFETY		
155035	DODGE OF BURNSVILLE, INC	29,819.00	28,775.62
270200	SUPERIOR COMPUTER PRODUCTS INC	112,722.96	410.00
	PUBLIC SAFETY		29,185.62
LANDFILL HOST FEE			
43	PUBLIC WORKS		
R0001277	BURNS MCDONNELL		2,250.00
	PUBLIC WORKS		2,250.00

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

CAPITAL PROJECTS - REVOLVING			
81	SPECIAL PROJECTS		
212055	MEYER GROUP ARCHITECTURE	42,291.11	5,027.28
	SPECIAL PROJECTS		5,027.28
CITY SALES TAX CAPITAL			
81	SPECIAL PROJECTS		
116975	AMI CONSULTING ENGINEERS PA	9,760.00	6,240.00
128075	BRAUN INTERTEC CORP	16,670.00	2,267.50
	SPECIAL PROJECTS		8,507.50
WATER - LAKE SUPERIOR WATERLIN			
51	STATION 2		
137310	CENTURY LINK	5,667.56	9.19
139025	CINTAS	2,712.33	13.98
211400	MENARDS INC	3,379.38	72.92
288150	WASTE MANAGEMENT NORTHERN MN	247.92	63.23
	STATION 2		159.32
52	LAKE SUPERIOR WATERLINE		
125700	BEST OIL COMPANY	75,126.12	656.96
	LAKE SUPERIOR WATERLINE		656.96
WATER - IN TOWN SYSTEM			
00			
R0001959	SHELLY RUUSKA		272.79
R0001960	JEFFREY SCHANZ		103.65
			376.44
49	CLOQUET		
111610	ACME TOOLS		269.00

INVOICES DUE ON/BEFORE 09/01/2020
 INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER - IN TOWN SYSTEM			
49	CLOQUET		
125700	BEST OIL COMPANY	75,126.12	802.53
165375	FERGUSON WATERWORKS #2516	23,016.75	381.76
166525	FIRE SAFETY USA, INC	20,455.49	185.00
180500	HAWKINS INC	48,190.23	3,891.24
211400	MENARDS INC	3,379.38	216.22
220500	MN DEPT OF HEALTH	17,852.00	8,910.00
	CLOQUET		14,655.75
54	BILLING & COLLECTION		
116100	AMERICAN PAYMENT CENTERS	190.79	98.79
279100	U S BANK EQUIPMENT FINANCE	5,389.34	65.78
	BILLING & COLLECTION		164.57
57	ADMINISTRATION & GENERAL		
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	406.63
	ADMINISTRATION & GENERAL		406.63
ENTERPRISE FUND - SEWER			
00			
286900	W L S S D	675,549.30	-28.00
			-28.00
55	SANITARY SEWER		
125700	BEST OIL COMPANY	75,126.12	515.19
137340	CHAMBERLAIN OIL CO., INC.	7,044.20	55.20
206800	MACQUEEN EQUIPMENT INC	20,096.54	259.32
286900	W L S S D	675,549.30	82,743.00
	SANITARY SEWER		83,572.71
57	ADMINISTRATION & GENERAL		

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CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 09/01/2020
INVOICES IN BATCH 200901

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

ENTERPRISE FUND - SEWER			
57	ADMINISTRATION & GENERAL		
142100	CLOQUET MAIL STATION	620.24	-4.28
147050	CONSOLIDATED TELEPHONE COMPANY	25,992.35	174.12
	ADMINISTRATION & GENERAL		169.84
STORM WATER UTILITY			
59	OPERATIONS		
134000	CARLTON COUNTY HIGHWAY DEPT	6,798.81	990.91
211400	MENARDS INC	3,379.38	2.99
	OPERATIONS		993.90
EMPLOYEE SEVERANCE			
45	EMPLOYEE VACATION & SICK		
152775	DELTA DENTAL OF MINNESOTA	25,623.85	88.50
	EMPLOYEE VACATION & SICK		88.50
CLOQUET AREA FIRE DISTRICT			
42	PUBLIC SAFETY		
125700	BEST OIL COMPANY	75,126.12	2,708.85
	PUBLIC SAFETY		2,708.85
	TOTAL ALL DEPARTMENTS		258,407.97



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Tim Peterson, City Administrator *TCP*
Date: September 1, 2020

ITEM DESCRIPTION: Lumberjack Lounge, LLC - Optional 2 AM Liquor License Renewal

Proposed Action

Staff recommends the City Council move to approve the renewal of the Optional 2 AM Liquor License for Lumberjack Lounge LLC, 1016 Cloquet Avenue.

Background/Overview

The City has four establishments licensed under the Optional 2AM Liquor license. The license is issued by the State but must first be approved by the City. The Optional 2AM Liquor licenses expire at various times throughout the year, the Lumberjack Lounge's license expires October 1, 2020.

Policy Objectives

M.S. 340A.504, Subd. 7 allows for the sale of intoxicating liquor between the hours of 1:00 a.m. and 2:00 a.m. Section 6.2.10, Subd. 4 of Municipal Code also addresses the sale between these hours.

Financial/Budget/Grant Considerations

Currently the City charges no local fees for this license. The fee is based strictly upon the statutory obligations.

Advisory Committee/Commission Action

None.

Supporting Documentation Attached

- Optional 2 AM Renewal Application



Minnesota Department of Public Safety
 Alcohol & Gambling Enforcement Division
 445 Minnesota Street, 1600
 St Paul, Minnesota 55101
 651-201-7507

Renewal for 2am License/Permit

License/Permit Type: 2AM-500K+
 Permit Number: 26173

Expiration Date: 10/1/2020
 Business Telephone: 2188795939

DBA: Lumberjack Lounge
 Lumberjack Lounge LLC
 1016 Cloquet Ave
 Cloquet, MN 55720

Business Location
 1016 Cloquet Ave
 Cloquet

If any of the above licensee information is not correct, please make corrections as necessary.

Licensee must report previous 12 month on sale alcoholic beverage gross receipts by checking one of the boxes below. Next to the box you check is your 2 AM license fee. Make check payable to: Alcohol and Gambling Enforcement Division (AGED). Mail this application and check to address listed below.

- \$300 2 AM license fee - Up to \$100,000 in on sale gross receipts for alcoholic beverages
- \$750 2 AM license fee - Over \$100,000, but not over \$500,000 in on sale gross receipts for alcoholic beverages
- \$1000 2 AM license fee - Over \$500,000 in on sale gross receipts for alcoholic beverages
- \$200 2 AM license fee - 3.2% On Sale Malt Liquor licensees or Set Up license holders
- \$200 2 AM license fee - Did not sell alcoholic beverages for a full 12 months prior to this application

Yes No Does the city or county that issues your liquor license allow the sale of alcoholic beverages until 2 AM?

City Clerk/County Auditor Signature _____ Date _____

(I certify that the city or county of _____ approves the sale of alcoholic beverages until 2AM)

Licensee Signature *Chris Barby*
 (I certify that I have answered the above questions truthfully and correctly)

Date 8/25/2020

Licensee Minnesota Tax ID Number (Required): 9615937 NOT FEDERAL TAX ID

Licensee: Prior to submitting this application to the Alcohol & Gambling Enforcement Division you must have this form signed by your local city or county licensing official



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Nancy Klassen, Finance Director *nk*
Reviewed by: Tim Peterson, City Administrator *TCP*
Date: August 26, 2020

ITEM DESCRIPTION: General Obligation Water and Sewer Revenue Bonds, Series 2020A

Proposed Action

Staff recommends the Council move to adopt **RESOLUTION NO. 20-57, A RESOLUTION PROVIDING FOR THE SALE OF \$1,860,000 GENERAL OBLIGATION WATER AND SEWER REVENUE BONDS, SERIES 2020A & RESOLUTION NO. 20-59, A RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A CREDIT ENHANCEMENT PROGRAM AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY.**

Background/Overview

The council authorized the Prospect Ave reconstruction project earlier this year. The financing of the project was anticipated to be funded by City Sale Tax for the street share and the utility portion through bonds: Water \$760,000, Sewer \$580,000, and Stormwater \$450,000.

The action tonight is to consider a pre-sale of the bonds. Staff will now work with Ehlers on a review of the City's bond rating and competitive bids. It is anticipated that the review of the bids and final sale will take place on October 6, 2020.

Policy Objectives

The bonds are being issued pursuant to Minnesota Statutes Chapter 475.60, Subdivision 2(9). The bonds will be general obligation revenue which are paid for through utility rates but also have the City's full faith, credit and taxing powers pledged.

Financial Impacts/Budget/Grant Considerations

The bonds are paid through collection of utility fees from each of the respective enterprise funds. The credit enhancement program should provide a lower interest rate on the bonds.

Advisory Committee/Commission Action

None.

Supporting Document Attached

Resolution 20-57
Resolution 20-59
Presale report

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

RESOLUTION NO. 20-57

**RESOLUTION PROVIDING FOR THE SALE OF \$1,860,000 GENERAL OBLIGATION
WATER AND SEWER REVENUE BONDS, SERIES 2020A**

WHEREAS, the City Council of the City of Cloquet, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$1,860,000 General Obligation Water and Sewer Revenue Bonds, Series 2020A (the "Bonds"), to finance the construction of various improvements to the municipal water and sewer systems in the City; and

WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on October 6, 2020, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 1ST DAY OF SEPTEMBER, 2020.

Roger Maki, Mayor

ATTEST:

Tim Peterson, City Administrator

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

RESOLUTION NO. 20-59

**RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A CREDIT ENHANCEMENT
PROGRAM AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY**

WHEREAS, the City Council of the City of Cloquet, Minnesota (the "City") proposes to issue its General Obligation Water and Sewer Revenue Bonds (the "Bonds"), the proceeds of which will be used to finance the costs of construction, improvement or rehabilitation of water, sanitary sewer, and storm sewer facilities; and

WHEREAS, the City Council hereby determines it is in the best interests of the City to apply to the Minnesota Public Facilities Authority (the "Authority") for credit enhancement of the Bonds;

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

1. Approval of the Authority's Credit Enhancement Program Agreement. The Authority's Credit Enhancement Program Agreement (the "Agreement") is hereby approved, the same being before the City Council and made a part of this resolution by reference.
2. Authorization to Sign Agreement and Related Forms. The Mayor and the City Administrator are authorized to sign the Agreement on the City's behalf and to execute any other related forms prescribed by the Authority with respect to the Agreement.
3. Agreement to Comply with Minnesota Statutes, Section 446A.086. The City is entering into the Agreement with the Authority pursuant to Minnesota Statutes, Section 446A.086 (the "Act") and the City hereby agrees to comply with and be bound by the provisions of the Act.
4. Submission of the Agreement. The Mayor and the City Administrator are hereby authorized to submit, on the City's behalf, the Agreement to the Authority, together with the nonrefundable application fee in the amount of \$500.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 1ST
DAY OF SEPTEMBER, 2020.**

Roger Maki, Mayor

ATTEST:

Tim Peterson, City Administrator

September 1, 2020
Pre-Sale Report for

City of Cloquet, Minnesota

\$1,860,000 General Obligation Water and
Sewer Revenue Bonds, Series 2020A



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Advisors:

Todd Hagen, Senior Municipal Advisor
Jason Aarsvold, Senior Municipal Advisor
Chris Mickelson, Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$1,860,000 General Obligation Water and Sewer Revenue Bonds, Series 2020A

Purpose:

The proposed issue includes financing for the construction of various improvements to the municipal water and sewer systems in the City.

Debt service will be paid from water and sewer revenues.

Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters:

- 475 (general bonding authority)
- 444 (water and sewer revenue pledge)

Chapter 444 allows cities to issue debt without limitation as long as debt service is expected to be paid from water and sewer revenues.

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

Term/Call Feature:

The Bonds are being issued for a term of 20 years. Principal on the Bonds will be due on February 1 in the years 2022 through 2041. Interest is payable every six months beginning August 1, 2021.

The Bonds will be subject to prepayment at the discretion of the City on February 1, 2030 or any date thereafter.

Bank Qualification:

Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as "bank qualified" obligations.

Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

State Credit Enhancement:

City bond issues for water, sanitary sewer and storm water facilities are now authorized to receive credit enhancement from the State. Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AAA" rating or a Moody's "Aa2" because the

State guarantees the debt service payments on the Bonds. Currently, state credit enhancement provides a significant interest cost savings, to lower or non-rated cities/counties.

To qualify for the credit enhancement, a City must submit an application and \$500 fee to the State. Ehlers will coordinate the application to the State on your behalf.

Rating:

The City's most recent bond issues were rated by S&P Global Ratings. The current ratings on those bonds are "AA". The state credit enhancement would bring a Standard & Poor's "AAA" rating. The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of general obligation bonds as a suitable financing option for the following reasons:

- The City's policy and past practice has been to finance improvement projects with this type of debt issue.
- This is a cost-effective option among the limited other options available to finance these types of projects.
- General obligation bonds with State Credit Enhancement provides the lowest possible interest cost.
- The expectation that this form of financing will also meet the City's objectives for term, structure and optional redemption.
- The method of sale process identified herein complies with City policy as well as best practices endorsed by the Government Finance Officers Association (GFOA).

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the

bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the City.

For this issue of Bonds, we have been directed to use the net premium to reduce the size of the issue rather than increase the net proceeds for the project; but that could change on the day of sale. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.

The amount of premium can be restricted in the bid specifications. Restrictions on premium may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended impacts with respect to debt service payment. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City's objectives for this financing.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC).

The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

Because the Bonds tax-exempt obligations, the City must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be defined in the Non-arbitrage Certificate prepared by your Bond Attorney and provided at closing.

We recommend that you regularly monitor compliance with these rules and/or contract with Ehlers to assist you.

Small Issuer Exception (\$5M or less) - The City expects to qualify for the small issuer exception to arbitrage rebate on the Bonds.

Investment of Bond Proceeds:

To maximize interest earnings we recommend using an SEC registered investment advisor to assist with the investment of bond proceeds until they are needed to pay project costs. Ehlers

is a registered investment advisor, and can assist the City in developing an appropriate investment strategy if needed.

Risk Factors:

Utility Revenue: The City expects to pay the Bond debt service with utility funds. If utility revenue is inadequate, the City may have to levy taxes to pay debt service on the Bonds.

GO Pledge: Because the Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged, if the annual utility revenues collected are not enough to pay the debt service payments, other City funds will need to be used.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Taft Stettinius & Hollister

Paying Agent: Bond Trust Services

Rating Agency: S&P

Summary:

The decisions to be made by the City Council are as follows:

- Accept or modify the finance assumptions described in this report
- Adopt the resolution attached to this report.

This presale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by City Council:	September 1, 2020
Conference with Rating Agency/Due Diligence Call to review Official Statement:	Week of Sept. 14 or 21
Distribute Official Statement:	Week of Sept. 21, 2020
City Council Meeting to Award Sale of the Bonds:	October 6, 2020
Estimated Closing Date:	October 22, 2020

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Bond Buyer Index
- Resolution Authorizing Ehlers to Proceed with Bond Sale
- Resolution Authorizing City to Enter into Credit Enhancement Agreement

EHLERS' CONTACTS

Todd Hagen, Senior Municipal Advisor	(651) 697-8508
Jason Aarsvold, Senior Municipal Advisor	(651) 697-8512
Chris Mickelson, Municipal Advisor	(651) 697-8556
Silvia Johnson, Public Finance Analyst	(651) 697-8580
Alicia Gage, Senior Financial Analyst	(651) 697-8551

The Preliminary Official Statement for this financing will be sent to the City Council at their home or email address for review prior to the sale date.

Cloquet, Minnesota

\$1,860,000 General Obligation Water & Sewer Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AAA Credit Enhanced Rates (AA) plus 15bps

Total Issue Sources And Uses

Dated 10/22/2020 | Delivered 10/22/2020

	Water	Sewer	Stormwater	Issue Summary
Sources Of Funds				
Par Amount of Bonds	\$790,000.00	\$605,000.00	\$465,000.00	\$1,860,000.00
Total Sources	\$790,000.00	\$605,000.00	\$465,000.00	\$1,860,000.00
Uses Of Funds				
Total Underwriter's Discount (1.200%)	9,480.00	7,260.00	5,580.00	22,320.00
Costs of Issuance	19,962.36	15,287.64	11,750.00	47,000.00
Deposit to Project Construction Fund	760,000.00	580,000.00	450,000.00	1,790,000.00
Rounding Amount	557.64	2,452.36	(2,330.00)	680.00
Total Uses	\$790,000.00	\$605,000.00	\$465,000.00	\$1,860,000.00

Cloquet, Minnesota

\$1,860,000 General Obligation Water & Sewer Bonds, Series 2020A

Issue Summary

Assumes Current Market BQ AAA Credit Enhanced Rates (AA) plus 15bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/22/2020	-	-	-	-	-
08/01/2021	-	-	18,987.50	18,987.50	-
02/01/2022	80,000.00	0.400%	12,250.00	92,250.00	111,237.50
08/01/2022	-	-	12,090.00	12,090.00	-
02/01/2023	80,000.00	0.450%	12,090.00	92,090.00	104,180.00
08/01/2023	-	-	11,910.00	11,910.00	-
02/01/2024	85,000.00	0.500%	11,910.00	96,910.00	108,820.00
08/01/2024	-	-	11,697.50	11,697.50	-
02/01/2025	85,000.00	0.600%	11,697.50	96,697.50	108,395.00
08/01/2025	-	-	11,442.50	11,442.50	-
02/01/2026	85,000.00	0.750%	11,442.50	96,442.50	107,885.00
08/01/2026	-	-	11,123.75	11,123.75	-
02/01/2027	85,000.00	0.850%	11,123.75	96,123.75	107,247.50
08/01/2027	-	-	10,762.50	10,762.50	-
02/01/2028	90,000.00	0.950%	10,762.50	100,762.50	111,525.00
08/01/2028	-	-	10,335.00	10,335.00	-
02/01/2029	95,000.00	1.050%	10,335.00	105,335.00	115,670.00
08/01/2029	-	-	9,836.25	9,836.25	-
02/01/2030	95,000.00	1.200%	9,836.25	104,836.25	114,672.50
08/01/2030	-	-	9,266.25	9,266.25	-
02/01/2031	95,000.00	1.250%	9,266.25	104,266.25	113,532.50
08/01/2031	-	-	8,672.50	8,672.50	-
02/01/2032	95,000.00	1.350%	8,672.50	103,672.50	112,345.00
08/01/2032	-	-	8,031.25	8,031.25	-
02/01/2033	95,000.00	1.400%	8,031.25	103,031.25	111,062.50
08/01/2033	-	-	7,366.25	7,366.25	-
02/01/2034	95,000.00	1.500%	7,366.25	102,366.25	109,732.50
08/01/2034	-	-	6,653.75	6,653.75	-
02/01/2035	95,000.00	1.600%	6,653.75	101,653.75	108,307.50
08/01/2035	-	-	5,893.75	5,893.75	-
02/01/2036	95,000.00	1.700%	5,893.75	100,893.75	106,787.50
08/01/2036	-	-	5,086.25	5,086.25	-
02/01/2037	95,000.00	1.800%	5,086.25	100,086.25	105,172.50
08/01/2037	-	-	4,231.25	4,231.25	-
02/01/2038	100,000.00	1.900%	4,231.25	104,231.25	108,462.50
08/01/2038	-	-	3,281.25	3,281.25	-
02/01/2039	105,000.00	2.000%	3,281.25	108,281.25	111,562.50
08/01/2039	-	-	2,231.25	2,231.25	-
02/01/2040	105,000.00	2.100%	2,231.25	107,231.25	109,462.50
08/01/2040	-	-	1,128.75	1,128.75	-
02/01/2041	105,000.00	2.150%	1,128.75	106,128.75	107,257.50
Total	\$1,860,000.00	-	\$333,317.50	\$2,193,317.50	-

Yield Statistics

Bond Year Dollars	\$20,856.50
Average Life	11.213 Years
Average Coupon	1.5981469%
Net Interest Cost (NIC)	1.7051639%
True Interest Cost (TIC)	1.7006865%
Bond Yield for Arbitrage Purposes	1.5811980%
All Inclusive Cost (AIC)	1.9589179%

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Net Interest Cost	1.5981469%
Weighted Average Maturity	11.213 Years

Series 2020A GO Water Sew | Issue Summary | 8/26/2020 | 8:33 AM



Cloquet, Minnesota

\$790,000 General Obligation Water & Sewer Bonds, Series 2020A

Water

Assumes Current Market BQ AAA Credit Enhanced Rates (AA) plus 15bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/22/2020	-	-	-	-	-
08/01/2021	-	-	8,083.25	8,083.25	-
02/01/2022	35,000.00	0.400%	5,215.00	40,215.00	48,298.25
08/01/2022	-	-	5,145.00	5,145.00	-
02/01/2023	35,000.00	0.450%	5,145.00	40,145.00	45,290.00
08/01/2023	-	-	5,066.25	5,066.25	-
02/01/2024	35,000.00	0.500%	5,066.25	40,066.25	45,132.50
08/01/2024	-	-	4,978.75	4,978.75	-
02/01/2025	35,000.00	0.600%	4,978.75	39,978.75	44,957.50
08/01/2025	-	-	4,873.75	4,873.75	-
02/01/2026	35,000.00	0.750%	4,873.75	39,873.75	44,747.50
08/01/2026	-	-	4,742.50	4,742.50	-
02/01/2027	35,000.00	0.850%	4,742.50	39,742.50	44,485.00
08/01/2027	-	-	4,593.75	4,593.75	-
02/01/2028	40,000.00	0.950%	4,593.75	44,593.75	49,187.50
08/01/2028	-	-	4,403.75	4,403.75	-
02/01/2029	40,000.00	1.050%	4,403.75	44,403.75	48,807.50
08/01/2029	-	-	4,193.75	4,193.75	-
02/01/2030	40,000.00	1.200%	4,193.75	44,193.75	48,387.50
08/01/2030	-	-	3,953.75	3,953.75	-
02/01/2031	40,000.00	1.250%	3,953.75	43,953.75	47,907.50
08/01/2031	-	-	3,703.75	3,703.75	-
02/01/2032	40,000.00	1.350%	3,703.75	43,703.75	47,407.50
08/01/2032	-	-	3,433.75	3,433.75	-
02/01/2033	40,000.00	1.400%	3,433.75	43,433.75	46,867.50
08/01/2033	-	-	3,153.75	3,153.75	-
02/01/2034	40,000.00	1.500%	3,153.75	43,153.75	46,307.50
08/01/2034	-	-	2,853.75	2,853.75	-
02/01/2035	40,000.00	1.600%	2,853.75	42,853.75	45,707.50
08/01/2035	-	-	2,533.75	2,533.75	-
02/01/2036	40,000.00	1.700%	2,533.75	42,533.75	45,067.50
08/01/2036	-	-	2,193.75	2,193.75	-
02/01/2037	40,000.00	1.800%	2,193.75	42,193.75	44,387.50
08/01/2037	-	-	1,833.75	1,833.75	-
02/01/2038	45,000.00	1.900%	1,833.75	46,833.75	48,667.50
08/01/2038	-	-	1,406.25	1,406.25	-
02/01/2039	45,000.00	2.000%	1,406.25	46,406.25	47,812.50
08/01/2039	-	-	956.25	956.25	-
02/01/2040	45,000.00	2.100%	956.25	45,956.25	46,912.50
08/01/2040	-	-	483.75	483.75	-
02/01/2041	45,000.00	2.150%	483.75	45,483.75	45,967.50
Total	\$790,000.00	-	\$142,305.75	\$932,305.75	-

Yield Statistics

Bond Year Dollars	\$8,882.25
Average Life	11.243 Years
Average Coupon	1.6021363%
Net Interest Cost (NIC)	1.7088660%
True Interest Cost (TIC)	1.7044227%
Bond Yield for Arbitrage Purposes	1.5811980%
All Inclusive Cost (AIC)	1.9621231%

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Net Interest Cost	1.6021363%
Weighted Average Maturity	11.243 Years

Series 2020A GO Water Sew | Water | 8/26/2020 | 8:33 AM



Cloquet, Minnesota

\$605,000 General Obligation Water & Sewer Bonds, Series 2020A

Sewer

Assumes Current Market BQ AAA Credit Enhanced Rates (AA) plus 15bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/22/2020	-	-	-	-	-
08/01/2021	-	-	6,138.00	6,138.00	-
02/01/2022	25,000.00	0.400%	3,960.00	28,960.00	35,098.00
08/01/2022	-	-	3,910.00	3,910.00	-
02/01/2023	25,000.00	0.450%	3,910.00	28,910.00	32,820.00
08/01/2023	-	-	3,853.75	3,853.75	-
02/01/2024	30,000.00	0.500%	3,853.75	33,853.75	37,707.50
08/01/2024	-	-	3,778.75	3,778.75	-
02/01/2025	30,000.00	0.600%	3,778.75	33,778.75	37,557.50
08/01/2025	-	-	3,688.75	3,688.75	-
02/01/2026	30,000.00	0.750%	3,688.75	33,688.75	37,377.50
08/01/2026	-	-	3,576.25	3,576.25	-
02/01/2027	30,000.00	0.850%	3,576.25	33,576.25	37,152.50
08/01/2027	-	-	3,448.75	3,448.75	-
02/01/2028	30,000.00	0.950%	3,448.75	33,448.75	36,897.50
08/01/2028	-	-	3,306.25	3,306.25	-
02/01/2029	30,000.00	1.050%	3,306.25	33,306.25	36,612.50
08/01/2029	-	-	3,148.75	3,148.75	-
02/01/2030	30,000.00	1.200%	3,148.75	33,148.75	36,297.50
08/01/2030	-	-	2,968.75	2,968.75	-
02/01/2031	30,000.00	1.250%	2,968.75	32,968.75	35,937.50
08/01/2031	-	-	2,781.25	2,781.25	-
02/01/2032	30,000.00	1.350%	2,781.25	32,781.25	35,562.50
08/01/2032	-	-	2,578.75	2,578.75	-
02/01/2033	30,000.00	1.400%	2,578.75	32,578.75	35,157.50
08/01/2033	-	-	2,368.75	2,368.75	-
02/01/2034	30,000.00	1.500%	2,368.75	32,368.75	34,737.50
08/01/2034	-	-	2,143.75	2,143.75	-
02/01/2035	30,000.00	1.600%	2,143.75	32,143.75	34,287.50
08/01/2035	-	-	1,903.75	1,903.75	-
02/01/2036	30,000.00	1.700%	1,903.75	31,903.75	33,807.50
08/01/2036	-	-	1,648.75	1,648.75	-
02/01/2037	30,000.00	1.800%	1,648.75	31,648.75	33,297.50
08/01/2037	-	-	1,378.75	1,378.75	-
02/01/2038	30,000.00	1.900%	1,378.75	31,378.75	32,757.50
08/01/2038	-	-	1,093.75	1,093.75	-
02/01/2039	35,000.00	2.000%	1,093.75	36,093.75	37,187.50
08/01/2039	-	-	743.75	743.75	-
02/01/2040	35,000.00	2.100%	743.75	35,743.75	36,487.50
08/01/2040	-	-	376.25	376.25	-
02/01/2041	35,000.00	2.150%	376.25	35,376.25	35,752.50
Total	\$605,000.00	-	\$107,493.00	\$712,493.00	-

Yield Statistics

Bond Year Dollars	\$6,736.38
Average Life	11.135 Years
Average Coupon	1.5957099%
Net Interest Cost (NIC)	1.7034830%
True Interest Cost (TIC)	1.6985184%
Bond Yield for Arbitrage Purposes	1.5811980%
All Inclusive Cost (AIC)	1.9584270%

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Net Interest Cost	1.5957099%
Weighted Average Maturity	11.135 Years

Series 2020A GO Water Sew | Sewer | 8/26/2020 | 8:33 AM



Cloquet, Minnesota

\$465,000 General Obligation Water & Sewer Bonds, Series 2020A

Stormwater

Assumes Current Market BQ AAA Credit Enhanced Rates (AA) plus 15bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+i	Fiscal Total
10/22/2020	-	-	-	-	-
08/01/2021	-	-	4,766.25	4,766.25	-
02/01/2022	20,000.00	0.400%	3,075.00	23,075.00	27,841.25
08/01/2022	-	-	3,035.00	3,035.00	-
02/01/2023	20,000.00	0.450%	3,035.00	23,035.00	26,070.00
08/01/2023	-	-	2,990.00	2,990.00	-
02/01/2024	20,000.00	0.500%	2,990.00	22,990.00	25,980.00
08/01/2024	-	-	2,940.00	2,940.00	-
02/01/2025	20,000.00	0.600%	2,940.00	22,940.00	25,880.00
08/01/2025	-	-	2,880.00	2,880.00	-
02/01/2026	20,000.00	0.750%	2,880.00	22,880.00	25,760.00
08/01/2026	-	-	2,805.00	2,805.00	-
02/01/2027	20,000.00	0.850%	2,805.00	22,805.00	25,610.00
08/01/2027	-	-	2,720.00	2,720.00	-
02/01/2028	20,000.00	0.950%	2,720.00	22,720.00	25,440.00
08/01/2028	-	-	2,625.00	2,625.00	-
02/01/2029	25,000.00	1.050%	2,625.00	27,625.00	30,250.00
08/01/2029	-	-	2,493.75	2,493.75	-
02/01/2030	25,000.00	1.200%	2,493.75	27,493.75	29,987.50
08/01/2030	-	-	2,343.75	2,343.75	-
02/01/2031	25,000.00	1.250%	2,343.75	27,343.75	29,687.50
08/01/2031	-	-	2,187.50	2,187.50	-
02/01/2032	25,000.00	1.350%	2,187.50	27,187.50	29,375.00
08/01/2032	-	-	2,018.75	2,018.75	-
02/01/2033	25,000.00	1.400%	2,018.75	27,018.75	29,037.50
08/01/2033	-	-	1,843.75	1,843.75	-
02/01/2034	25,000.00	1.500%	1,843.75	26,843.75	28,687.50
08/01/2034	-	-	1,656.25	1,656.25	-
02/01/2035	25,000.00	1.600%	1,656.25	26,656.25	28,312.50
08/01/2035	-	-	1,456.25	1,456.25	-
02/01/2036	25,000.00	1.700%	1,456.25	26,456.25	27,912.50
08/01/2036	-	-	1,243.75	1,243.75	-
02/01/2037	25,000.00	1.800%	1,243.75	26,243.75	27,487.50
08/01/2037	-	-	1,018.75	1,018.75	-
02/01/2038	25,000.00	1.900%	1,018.75	26,018.75	27,037.50
08/01/2038	-	-	781.25	781.25	-
02/01/2039	25,000.00	2.000%	781.25	25,781.25	26,562.50
08/01/2039	-	-	531.25	531.25	-
02/01/2040	25,000.00	2.100%	531.25	25,531.25	26,062.50
08/01/2040	-	-	268.75	268.75	-
02/01/2041	25,000.00	2.150%	268.75	25,268.75	25,537.50
Total	\$465,000.00	-	\$83,518.75	\$548,518.75	-

Yield Statistics

Bond Year Dollars	\$5,237.88
Average Life	11.264 Years
Average Coupon	1.5945159%
Net Interest Cost (NIC)	1.7010477%
True Interest Cost (TIC)	1.6971427%
Bond Yield for Arbitrage Purposes	1.5811980%
All Inclusive Cost (AIC)	1.9541170%

IRS Form 8038

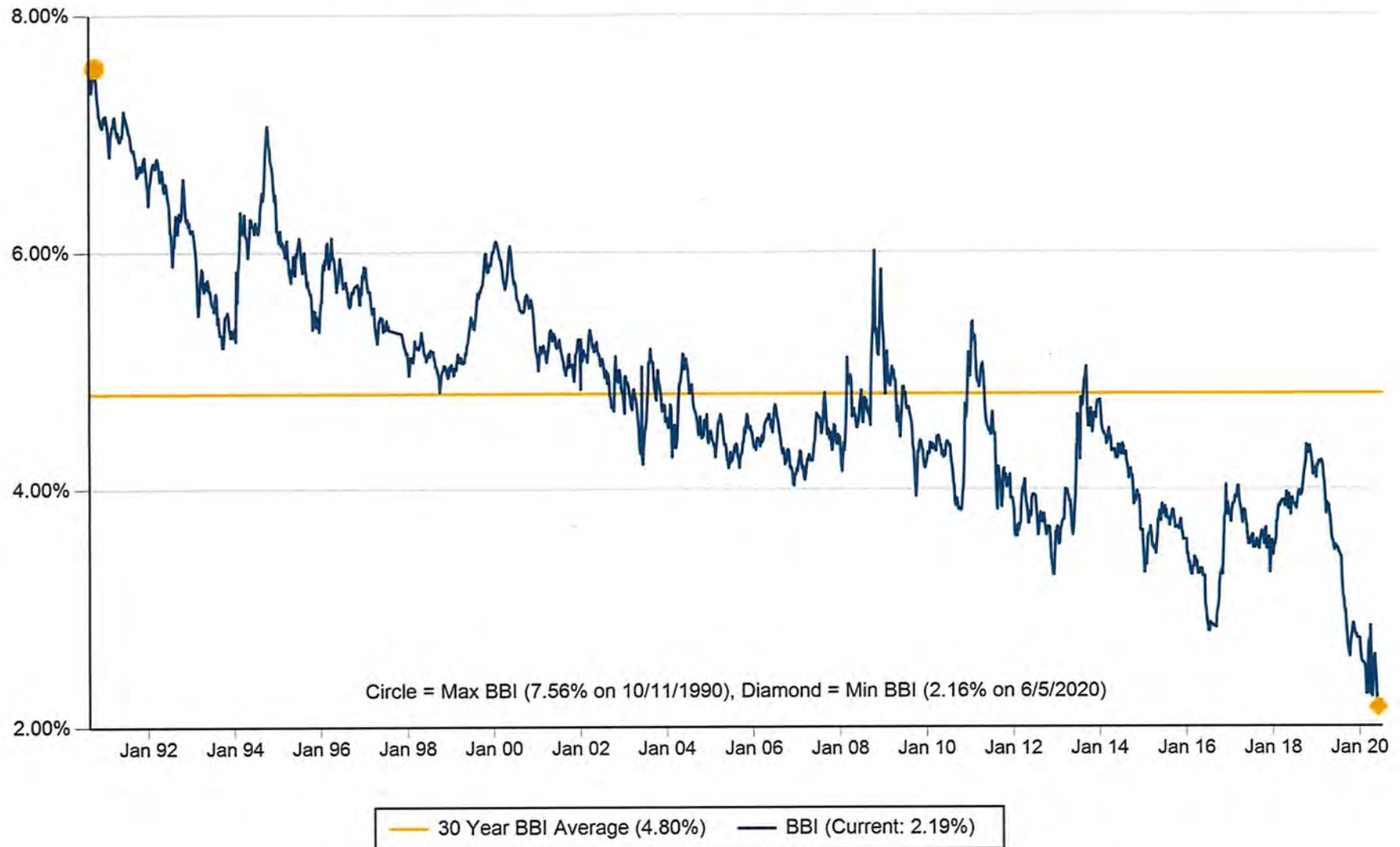
Net Interest Cost	1.5945159%
Weighted Average Maturity	11.264 Years

Series 2020A GO Water Sew | Stormwater | 8/26/2020 | 8:33 AM



30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates August, 1990 - August, 2020



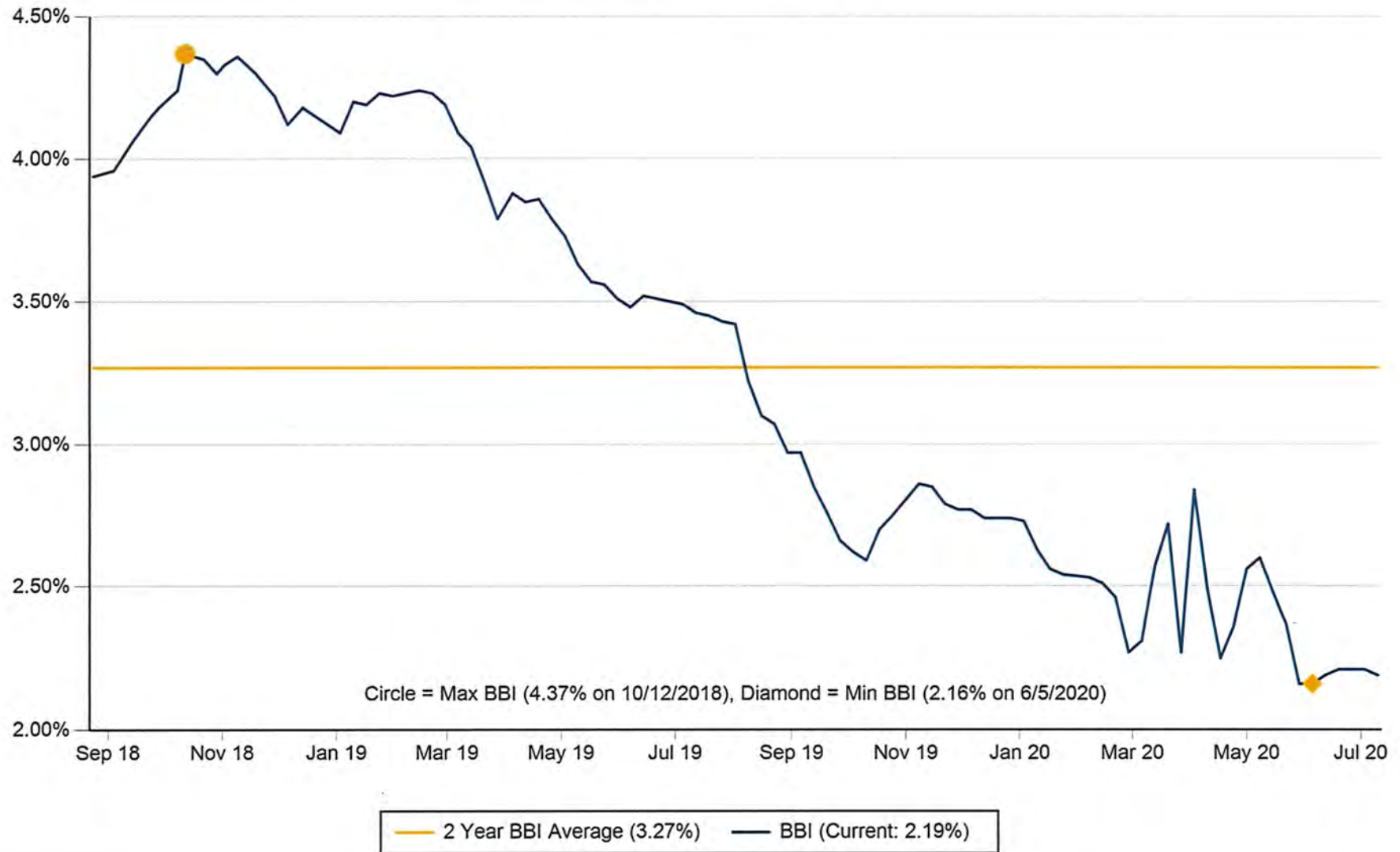
The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: *The Bond Buyer*



2 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates August, 2018 - August, 2020



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer





ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
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REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Nancy Klassen, Finance Director
Reviewed by: Tim Peterson, City Administrator *TCP*
Date: August 25, 2020

ITEM DESCRIPTION: CARES Aid expenditures

Proposed Action

Staff recommends the Council move to approve the use of CARES Aid for personal protective equipment, cleaning and sanitation supplies, additional election supplies, police salaries, certain administrative salaries, and several employees placed on paid administrative leave during the “Stay at Home Order” that were not able to work remotely.

Background/Overview

The State issued a peacetime emergency on March 13, 2020 due to the COVID-19 pandemic. The State closed several businesses on March 17, and ordered a “Stay at Home Order” March 27 through May 17th. As of August 25, 2020 there are still several restrictions for business and masks are mandated by the council and the State.

The City has purchased cleaning and sanitation supplies, additional election supplies, and personal protective equipment due to the pandemic. The police department and several administrative staff have substantially dedicated their services to responding to the COVID-19 public health emergency. The “Stay at Home Order” required that a large amount of City staff be placed on paid administrative leave to mitigate the spread of the COVID-19 virus.

Due to administrative convenience the entire payroll costs dedicated to mitigating or responding to the COVID-19 public health emergency is eligible (FAQ #47). The City is using the following dates for payroll related costs.

March 13 to current (worksheet is for July reporting) peacetime emergency declared – police and certain administrative staff dedicated to responding to the COVID-19 public health emergency.

March 27 to May 17 “Stay at Home Order” – paid administrative leave for employees who could not work remotely or worked in a very limited capacity.

Policy Objectives

Use the CARES Aid in accordance with federal regulations.

Financial/Budget/Grant Considerations

Documented use of \$930,226 for CARES Aid.

Advisory Committee/Commission Action

Not applicable.

Supporting Documents Attached

Spreadsheet on documented costs for CARES Aid uses.

City of Cloquet
Payroll Expenses for COVID-19
2020

Administrative Leave Costs - "Stay at Home Order"

March 27 to May 17

Costs for employees not working or on COVID leave.

Paid Administrative Leave - PAL code 300,735.21

Less Certain Administrative Staff - Responding to COVID-19 public health emergency

Tim Peterson	City Administrator	(16,975.72)
Kris St Arnold	City Clerk	(8,378.93)
James Barclay	Human Resources Director	(14,156.03)
Caleb Peterson	City Engineer/Public Works Director	(15,005.41)
Holly Hansen	Community Dev Director	(12,448.55)

Less Teleworking (regular duties)

Nancy Klassen	Finance Director	(13,354.77)
Mary Kay	Asst Finance Director	(8,696.52)
Matt Munter	Building Official	(9,332.08)
John Anderson	Asst Public Works Director	(11,885.69)

Less Public Safety Responding to COVID-19 public health emergency

Haley Forgarty	Police Secretary	(3,377.52)
Mindi Shalfer	Police Secretary	(3,189.88)
Marlaina Cooper	Police Secretary	(4,803.71)

Total wages 179,130.40

Benefits (Employer Costs)

PERA	13,434.78
Social Security	11,106.08
Medicare	2,597.39

Total wages and benefits (mitigation of COVID-19 public health emergency) 206,268.66

Public Safety Salaries

March 13 to July 31

Police department enforcing executive orders by State.

Police Dept wages 719,938.93

Less employees out on FMLA

	(43,513.08)
	(28,710.35)
	(14,136.03)

Less retirement pay-out
[REDACTED] (17,939.77)

Total wages [615,639.70]

Benefits (Employer Costs)
PERA 108,968.23
Medicare 8,926.78

Total wages and benefits [733,534.70]

Certain Administrative Staff

Employees working on COVID procedure changes and policies, elections, remote meetings, economic development. [March 13 to July 31]

Tim Peterson	City Administrator	48,117.61
Kris St Arnold	City Clerk	24,339.14
James Barclay	Human Resources Director	42,978.52
Caleb Peterson	City Engineer/Public Works Director	43,097.61
Holly Hansen	Community Dev Director	38,381.49

Total wages [196,914.37]

Benefits (Employer Costs)
PERA 14,768.58
Social Security 12,208.69
Medicare 2,855.26

Total wages and benefits responding to COVID-19 public health emergency [226,746.90]

Total all wages and benefits for responding & mitigation [1,166,550.26]

COVID - 19 Supplies - General Ledger Report [2,367.63]

Grand Total [1,168,917.89]

Summary Timeline

- Emergency Order - March 13
- Business restrictions - March 17
- Stay at Home Order - March 28 through May 18
- Mask mandate July 24

DATE: 08/25/2020
 TIME: 09:23:27
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CITY OF CLOQUET
 GENERAL LEDGER ACTIVITY REPORT
 FOR FISCAL YEAR 2020

ACTIVITY THROUGH FISCAL PERIOD 07

PER.	JOURNAL #	ENTRY DATE	ITEM	TRANSACTION DESCRIPTION	VENDOR	CHECK	INVOICE	DEBIT	CREDIT
101-41-141-3-0499 (E) COVID-19 EXPENDITURES									
01		01/01/2020		BEGINNING BALANCE				0.00	
				YTD BUDGET		0.00	TOTAL ACCOUNT ACTIVITY	0.00	0.00
				ANNUAL REVISED BUDGET		0.00	ENDING BALANCE	0.00	
101-41-151-3-0499 (E) COVID-19 EXPENDITURE									
01		01/01/2020		BEGINNING BALANCE				0.00	
07	AP-080520	08/05/2020	10	GAITERS	JERSEY CITY	476125	200804	610.00	
				YTD BUDGET		0.00	TOTAL ACCOUNT ACTIVITY	610.00	0.00
				ANNUAL REVISED BUDGET		0.00	ENDING BALANCE	610.00	
101-42-212-3-0499 (E) COVID-19 EXPENDITURES									
01		01/01/2020		BEGINNING BALANCE				0.00	
04	AP-042320	04/23/2020	53	SUPPLIES	D A L C O	475342	200421	50.54	
		04/23/2020	54	COVID 19 SUPPLIES	DULUTH/SUPERIOR COMM	475346	200421	135.00	
	AP-050720	05/07/2020	49	EMERG C	WAL-MART COMMUNITY	475453	200505B	9.97	
		05/07/2020	50	COVID-19 PURCHASES	WELLS FARGO CREDIT	475456	200505B	435.66	
				YTD BUDGET		0.00	TOTAL ACCOUNT ACTIVITY	631.17	0.00
				ANNUAL REVISED BUDGET		0.00	ENDING BALANCE	631.17	
101-42-212-3-0499 (E) COVID-19 EXPENDITURES									
01		01/01/2020		BEGINNING BALANCE				0.00	
05	AP-060320	06/03/2020	48	COVID RELATED SUPPLIES	CINTAS	475604	220602B	307.83	
				YTD BUDGET		0.00	TOTAL ACCOUNT ACTIVITY	307.83	0.00
				ANNUAL REVISED BUDGET		0.00	ENDING BALANCE	307.83	
211-45-551-3-0499 (E) COVID-19 EXPENDITURES									
01		01/01/2020		BEGINNING BALANCE				0.00	
07	AP-080520	08/05/2020	90	3PLY FACE MASK, NITRILE GLOVES	IMAGEONE	476122	200804	818.63	
				YTD BUDGET		0.00	TOTAL ACCOUNT ACTIVITY	818.63	0.00
				ANNUAL REVISED BUDGET		0.00	ENDING BALANCE	818.63	
GRAND TOTAL								2,367.63	0.00
TOTAL DIFFERENCE								2,367.63	0.00



DEPARTMENT OF PUBLIC WORKS

101 14th Street; Cloquet, MN 55720
Phone: (218) 879-6758 Fax: (218) 879-6555
Street - Water - Sewer - Engineering - Park
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: John Anderson, Assistant City Engineer
Reviewed by: Tim Peterson, City Administrator *TP*
Date: September 1, 2020

ITEM DESCRIPTION: Public Hearing Date on Proposed 14th Street Improvement

Proposed Action

Staff recommends the City Council move to adopt **RESOLUTION 20-58, ACCEPTING THE FEASIBILITY STUDY AND SETTING A PUBLIC HEARING DATE ON THE PROPOSED 2021/2022 IMPROVEMENT OF 14th STREET** with a proposed hearing date of October 6, 2020.

Background/Overview

As part of the City's 5-Year Capital Improvement Program (CIP) and in cooperation with Carlton County, plans are proposed to reconstruct 14th Street from Cloquet Avenue to Tall Pine Lane. As part of that reconstruction, City owned sanitary sewer and watermain is proposed to be replaced along the corridor. Carlton County will be reconstructing the pavement, storm sewer and pedestrian facilities from Cloquet Avenue to Tall Pine Lane. Due to the size of the project it is planned that the construction will be phased over two years. The first phase proposed to be constructed in 2021 is from Cloquet Avenue to Prospect Avenue. The second phase proposed to be constructed in 2022 is from Prospect Avenue to Tall Pine Lane.

In general, the existing utility infrastructure in this area is in very poor to failed condition. Some of the issues documented in recent years include sewer back-ups and watermain breaks.

The City of Cloquet and Carlton County have retained a consultant to prepare plans for this construction. Preliminary plans for the project have been prepared and in accordance with MN Statutes Chapter 429, the City Council is required to schedule and give notice of a Public Hearing on the proposed improvement. During this meeting, the City Council will take formal public input to assist them in their decision as to how the City should proceed.

Due to the COVID-19 pandemic and current city policies related to public meetings, all City Council meetings are conducted as virtual online meetings. Therefore, this public hearing will be held online and attendees will need to log in or call in to participate. As this forum may be unfamiliar for some residents, staff is suggesting that once ordered, the public hearing be held at a regular City Council meeting and the Council delay acting on ordering the improvement until the next City Council meeting. This will provide an opportunity for anyone interested to submit a comment in writing or over the phone prior to the Council taking action to order the improvement.

To Mayor and Council
To Set Public Hearing Date – 14th Street
September 1, 2020
Page 2

Policy Objectives

To advance proposed capital improvement projects, but prior to approval affected property owners shall be provided an opportunity to make comments about the proposed improvement in accordance with State Statutes. While not required by state statute, several stake holder meetings have been held to take input on this improvement.

Financial/Budget/Grant Considerations

The preliminary engineer's estimate for the project is \$2,414,000. This amount is intended to be conservative as the design continues to progress. The project has been budgeted to be paid for through sales tax funds. All assessments collected for this project would be transferred to the utility funds (sanitary sewer and in town water).

A preliminary assessment role has been prepared in accordance with Chapter 12 of City Code. A copy can be found in appendix B of the Feasibility Study. Total assessment estimates are equal to \$656,184.04 or approximately 27% of the total project cost.

Advisory Committee/Commission Action

N/A

Supporting Documents Attached

- Resolution No. 20-58
- Feasibility Study

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

RESOLUTION NO. 20-58

**RESOLUTION ACCEPTING THE FEASIBILITY STUDY AND SETTING A
PUBLIC HEARING DATE ON THE PROPOSED 2021 / 2022 IMPROVEMENT
OF 14TH STREET FROM CLOQUET AVENUE TALL PINE LANE**

WHEREAS, In accordance with the City of Cloquet's Capital Improvement Program and approved budget, preliminary plans and a feasibility study have been prepared for the improvement of 14th Street; and

WHEREAS, The feasibility study provides information regarding whether the proposed improvements are necessary, cost-effective and feasible; 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 14th Street Utility Improvements in accordance with said feasibility study 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 \$2,414,000
2. A public hearing shall be held on October 6, 2020, in a virtual meeting at 7:00 p.m.
3. 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 1ST
DAY OF SEPTEMBER 2020.**

Roger Maki, Mayor

ATTEST:

Tim Peterson, City Administrator



Feasibility Report

CSAH 3 (14th Street) Reconstruction

Cloquet, Minnesota

S.A.P. No. 009-603-036

City No. CP1090

CARLZ 153272 | August 25, 2020



Building a Better World
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Engineers | Architects | Planners | Scientists



Building a Better World
for All of Us™

August 25, 2020

RE: CSAH 3 (14th Street) Reconstruction
Feasibility Report
Cloquet, Minnesota
S.A.P. No. 009-603-036 City No. CP1090
SEH No. CARLZ 153272 4.00

Mr. Caleb Peterson, PE
City of Cloquet
101 14th Street
Cloquet, MN, 55720

Dear Mr. Peterson:

As required by the City's assessment policy, Short Elliott Hendrickson Inc. (SEH®) is submitting this Engineer's Feasibility Report for the CSAH 3 (14th Street) Reconstruction project. The following considered improvements are located within the 14th Street corridor as well as on side street connections from Tall Pine Lane to Cloquet Avenue. Since 14th Street is owned by the County, the only improvements that will need to be assessed are sanitary and water items. This report includes a narrative describing the proposed improvements, estimate of sanitary and water costs, estimated project financing, and drawings showing the proposed sanitary and water work.

Having considered several aspects of items included for construction of this project, and having discussed the project in detail with City staff, it is our opinion from an engineering perspective that the proposed improvement project is necessary, cost effective, and feasible.

Thank you for the opportunity to work with you on this important project. We are available to answer any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Dan Hinzmann".

Dan Hinzmann, PE (MN)
Project Manager

rek/mh

x:\e\c\carlz\153272\15-final-dsgn\57-feas\csah 3 (14th street) feasibility report.docx

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 418 West Superior Street, Suite 200, Duluth, MN 55802-1512
SEH is 100% employee-owned | sehinc.com | 218.279.3000 | 888.722.0547 | 888.908.8166 fax

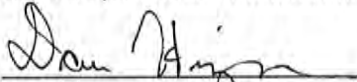
Feasibility Report

CSAH 3 (14th Street) Reconstruction
Cloquet, Minnesota

S.A.P. No. 009-603-036 City No. CP1090
SEH No. CARLZ 153272

August 25, 2020

I hereby certify that this report was prepared by me or under my direct supervision, and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.



Dan Hinzmann, PE (MN)

Date: August 25, 2020

License No.: 49874

Reviewed By: Rose Kopecky, PE (Lic. MN)

Date: August 13, 2020

Short Elliott Hendrickson Inc.
418 W. Superior Street, Suite 200
Duluth, MN, 55802
218.279.3000

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Letter of Transmittal
Certification Page
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List of Appendices

Appendix A	Property Assessment Map
Appendix B	Preliminary Assessment Roll
Appendix C	Estimate of Probable Cost

Feasibility Report

CSAH 3 (14th Street) Reconstruction

Prepared for City of Cloquet

1 Introduction/Background

Carlton County has determined that they are reconstructing CSAH 3 (14th Street) during the next two years. This includes replacement of the storm sewer and roadway section. Based on the deteriorated condition of the sanitary and water utilities in this corridor, the City decided that the replacement of the sanitary and water utilities is warranted to be included in this project. Reconstructing the water and sanitary sewer along 14th Street was also deemed necessary in the Street and Utility Capital Improvement Program that the City had completed in 2018. The water and sanitary utilities are located within the roadway of 14th Street, with connections on the connecting side streets.

The existing water main diameter varies from six (6) inches to eight (8) inches with side streets up to twelve (12) inches. The water main was constructed in 1930s and 1950s and is located within 14th Street. The City has prioritized this water main to be reconstructed as part of the CSAH 3 (14th Street) Reconstruction project. This is due in part to the leak history along this corridor.

The existing sanitary sewer was also estimated to be 70 to 90 years old and eight (8) inches in size. Due to the age and condition of the sanitary sewer, the City has prioritized the reconstruction of the sewer as part of the CSAH 3 (14th Street) Reconstruction project.

A map of the general project location is shown below.



2 Project Recommendations

For the purposes of the Feasibility Report, two alternatives were evaluated for the replacement of water main and sanitary sewer.

2.1 Alternative 1 – Do Nothing

Alternative 1 is to leave the existing water main and sanitary sewer in-place and not reconstruct at all. This option would leave the potential for water main breaks and leaks, sags in the sanitary sewer, and overall deterioration of the utilities. Due to these considerations, we do not recommend this alternative.

2.2 Alternative 2 – Full Water Main and Sanitary Sewer Reconstruct

This alternative would include full reconstruction of the sanitary sewer between Washington Avenue and Cloquet Avenue. With the road being reconstructed by the County, the sanitary sewer can be installed using the open trench method.

It has been determined and is desirable to extend water main between Stanley Avenue and Washington Avenue. This is included to improve the overall system reliability and flows by establishing an additional loop within the overall water system. Based on the intent of this extension being for purposes of the overall utility system, this portion of the project will not be assessed.

There has been a request to extend a new pressurized sewer service south of Washington Avenue. Due to this being an owner requested addition to the project, it shall be assessed 100% to the benefiting property owner.

The water and sewer would be extended with directionally drilling methods between Stanley Avenue and Washington Avenue. This method will avoid disturbing trees and the Cloquet Gospel Tabernacle parking lot. Open trench methods for all utilities will be utilized between Washington Avenue and Cloquet Avenue since the roadway will be fully reconstructed by the County.

Soil borings were conducted on the site for utility design.

This is the preferred alternative due to the poor condition of the sanitary sewer and the water main as well as taking advantage of the financial benefit of the County reconstructing the roadway and storm sewer.

3 Right-of-Way/Easements (Utility Only)

As the project proceeds into detailed final design, there may be additional permanent and temporary easement needs that will be identified. City staff will be contacting property owners that are involved with additional easement needs within the project. The anticipated permanent utility easements needed at this time are shown in the table below.

Parcel ID	Property Owner	Area of Easement (Sq. Ft.)	Area of Easement (Acre)
06-510-5610	Cloquet Gospel Temple	2640	0.06
06-510-5601	Cloquet Gospel Temple	6628	0.15

It should be noted that additional easements will be acquired as needed for the roadway reconstruction. Since the roadway work is being led by the County, these easements are not included in this report.

4 Required Permits and Approvals

- Minnesota Department of Health – Water Main Extension

5 Project Cost

The costs for the project are estimated at this time. The actual cost of the work will be determined through the public bidding process and a reconciliation of all project related costs. The estimated cost for the water and sanitary utility improvements is \$2.4M. The cost estimate includes budget amounts for construction cost and project related costs, such as contingency, as well as administrative, legal, fiscal, and engineering costs.

6 Proposed Assessments and Project Funding

6.1 Proposed Assessments

According to the City's current assessment policy, the project shall be assessed using the front foot assessment. The assessment values listed in this report are estimates. Final values will be determined during and after the construction process.

The project is planned to use the front foot method for sewer and water utility improvements. The front foot assessment uses the code designated quantities and items, and applies a best estimate of unit prices for these items, to develop a lot unit construction cost. The lot unit construction cost is then multiplied by 50% and divided by the code provided assessable frontage of 864 feet. This results in a per lineal foot assessment for both sewer and water utility improvements. An administrative cost of 12% is also included. By adding the assessment costs together for the sanitary and water work, the total assessment is summarized as shown below.

Water Assessment	\$ 297,015.24
Sewer Assessment	\$ 359,168.80
Total Assessment	\$ 656,184.04
Total Cost of Project	\$2,414,000.00
Percentage Assessed	27%

Based on the adjacent residential properties achieving a relatively uniform benefit along the project, and some properties benefiting which do not adjoin the roadway, the City determined it will assess residential properties based on an average frontage. This average frontage is the

average of all residential parcels which adjoin 14th Street and benefit from the project. This average frontage was found to be 72 feet per parcel. This approach is consistent with prior assessments for recent City of Cloquet projects. A map identifying the designation of parcel types is shown in **Appendix A**. A preliminary assessment roll is included in **Appendix B**. A detailed overall project cost estimate is included in **Appendix C**.

6.2 Project Funding

The sanitary and water utility improvements will be paid, in full, by City sales tax dollars and property assessments to benefited properties along the project.

7 Project Schedule

The schedule can be seen below. Due to the nature of this project, it should be noted that the schedule is considered approximate and actual dates may be subject to change.

Task	Date
Acquiring Easements	Oct. 2020 – Dec. 2020
Present Feasibility Study to Council & Order Public Hearing	Sept. 1, 2020*
Hold Public Hearing	Oct. 6, 2020*
Advertising for Bids	December 2020
Bid Opening	January 2020
Construction Start (Phase 1)	Spring 2021
Construction Start (Phase 2)	Spring 2022
Declare Costs to Assess and Order Assessment Roll/Hearing	Fall 2022*
Final Assessment Hearing	Winter 2022*
Assessments Levied to County	Winter 2022*

*Milestones where City Council Actions are required.

8 Summary and Recommendations

For the results of the feasibility study and preliminary investigations, it can be concluded that:

1. The project is feasible as it relates to general engineering principles, practices, and construction procedures as it has been presented in this report.
2. The project is cost effective and necessary to maintain the City's infrastructure and maintain water and sanitary utility service to the properties adjacent to the project.

We recommend the following:

1. Accept this Feasibility Report and order a public hearing.
2. The cost of some of the improvements will be recovered through assessments to the benefited properties in accordance with City code.

9 Standard of Care

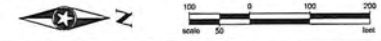
The conclusions and recommendations contained in this report were arrived at in accordance with generally accepted professional engineering practice at this time and location. Other than this, no warranty is implied or intended.

Appendix A

Property Assessment Map



■ PROPERTIES ASSESSED BASED ON AVERAGE FRONT FOOTAGE
 ■ PROPERTIES ASSESSED BASED ON INDIVIDUAL PROPERTY FRONT FOOTAGE
 ■ CITY OWNED PROPERTIES
 ■ ADJACENT PROPERTIES THAT ARE NON-BENEFITING



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NO.	BY	DATE	REVISIONS

SEH
 PHONE: 218.278.3000
 418 W SUPERIOR ST
 STE 260
 CLOQUET, MN 55803-1512
 www.sehinc.com

APPENDIX A

**CLOQUET,
 MINNESOTA
 S.A.P. 009-603-036**

**ASSESSED PROPERTIES
 CSAH 3 (14TH STREET)**

FILE NO.
 CARLZ - 153272

Appendix B

Preliminary Assessment Roll

Project Name: 14th Street (CSAH 3) Reconstruction
 SEH Project No: CARLZ 153272
 Date: August 25, 2020
 Description: Preliminary Assessments

Cloquet 14th Street (CSAH 3) Preliminary Assessment Roll

Parcel No.	Tax Payer First Name	Tax Payer Last Name	Property Address	Water Replacement Benefit	Sanitary Replacement Benefit	Lot Adjusted Front Footage	Water Assessment \$	Sanitary Assessment \$	Total Lot Assessment to Property Owner
06-110-0100	PETER A & KATHRYN	JOHNSON	10 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-3680	H.Z. ENTERPRISES, LLC		15 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-0120	SMITH BROTHERS PROPERTIES LLC		16 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-3720	RUTH	BAHEN	17 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-0140	SANDRA L	BECK	18 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-3740	LOUIS H & VALARIE E	BONNEVILLE	21 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-0160	CORY L	CHAMBERS	22 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-0180	NATHALIE J	NORDVALL	28 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-0200	SEAN P & AIMEE J	ANDERSON	30 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-3780	JOSEF & DRAGICA	MIKETIN	31 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-3820	CRAIG J & DIANNE M	SILTANEN	35 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-1940	JEFFREY G	COUTURE	102 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-1980	STONEMARK PROPERTIES LLC		108 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2000	JOSHUA D	ERICKSON	110 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2020	JULIE A	SKUTEVIK	114 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4140	RICHARD P & BETH A	WILHELM	119 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2040	HARVEY R & MARINELDA R	BENKO	120 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4160	RICHARD P & BETH A	WILHELM	121 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4180	ASHLEY N & PATRICK D	SUNDERLAND	125 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4200	D&P INVESTMENTS LLC		129 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4220	LUCAS M & CHARLENE L	RICE	135 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-290-4260	MELISSA & RICHARD A	CARLSON	137 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2160	IRIS A	KELLER	202 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2180	GREGORY W	PAULSON	206 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2200	STACEY	JOHNSON	212 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2240	CINDY	LIND	216 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-110-2261	JERRY H & ANNA R	DION	218 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0640	TRAVIS W	LINDBERG	1314 CARLTON AVE	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-410-0040	IND SCHOOL DIST 94-GARFIELD		302 14TH ST	Y	Y	177	\$ 7,874.73	\$ 9,522.60	\$ 17,397.33
06-040-0680	RACHEL L & JASON A	WELLER	309 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0720	KAJIA M	BORIN	317 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0740	TRACEY	DANDREA	321 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0760	NICHOLAS J	SILTANEN	325 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0780	SANDRA K	SMITH	333 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88

Project Name: 14th Street (CSAH 3) Reconstruction
 SEH Project No: CARLZ 153272
 Date: August 25, 2020
 Description: Preliminary Assessments

Cloquet 14th Street (CSAH 3) Preliminary Assessment Roll

Parcel No.	Tax Payer First Name	Tax Payer Last Name	Property Address	Water Replacement Benefit	Sanitary Replacement Benefit	Lot Adjusted Front Footage	Water Assessment \$	Sanitary Assessment \$	Total Lot Assessment to Property Owner
06-040-0800	TODD J & LORI E	OLEAN	335 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-040-0820	RACHAEL	SCHROEDER	1315 SELMSER AVE	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0040	DEBORAH J	MEIEROTTO	1310 SELMSER AVE	Y	N	72	\$ 3,203.28	\$ -	\$ 3,203.28
06-055-0020	SHAWN L	CRISEL	1314 SELMSER AVE	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-115-0100	ANTHONY	MILLER	406 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0160	SUSAN M	WILLIS	409 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-115-0120	DIANE M	BONG	410 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-115-0140	JOYCE J	PETERSON	414 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0220	HELEN M	STIEDE	415 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0260	ZACHARY	GIDLEY	419 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0340	GREGORY M JR	ZIMMERMAN	425 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0300	THOMAS V	MARCINIAK	430 13TH ST	Y	N	72	\$ 3,203.28	\$ -	\$ 3,203.28
06-055-0360	LINDA	REEVES	429 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0380	JANICE M	GEASLEY	431 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-055-0460	JESSE J & HALEY M	STIREWALT	437 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-1700	MICHAEL P & MEGAN A	CAMPBELL	505 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-125-0080	SCOT R & GARI J	BIERI	510 14TH ST	N	Y	72	\$ -	\$ 3,873.60	\$ 3,873.60
06-125-0100	JOSEPH	VENIER	516 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-1960	GRACE BAPTIST CHURCH		601 14TH ST	Y	Y	132	\$ 5,872.68	\$ 7,101.60	\$ 12,974.28
06-230-1881	COREY A	VEER	611 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-1883	BANKERS TRUST COMPANY		609 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-1882	WISNESKI FAMILY REVOCABLE LIVING TR		607 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-095-0360	JAMES C	RAHJA	608 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-095-0380	CHARLES E	ARFMAN		Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-095-0420	JOHN	SALO	616 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-020-0020	HEIDI	DAHLSTROM	702 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-2180	DEBORAH K	MAIER	705 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-020-0060	NCD PROPERTIES LLC			Y	Y	50	\$ 2,224.50	\$ 2,690.00	\$ 4,914.50
06-020-0080	NCD PROPERTIES LLC		716 14TH ST	Y	Y	50	\$ 2,224.50	\$ 2,690.00	\$ 4,914.50
06-020-0100	NCD PROPERTIES LLC			Y	Y	50	\$ 2,224.50	\$ 2,690.00	\$ 4,914.50
06-020-0120	PAULA	PETERSON	724 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-1980	ATKINS REAL ESTATE HOLDINGS LLC		801 14TH ST	Y	Y	99	\$ 4,404.51	\$ 5,326.20	\$ 9,730.71
06-230-2040	ATKINS REAL ESTATE HOLDINGS LLC			Y	Y	17	\$ 756.33	\$ 914.60	\$ 1,670.93
06-230-2100	ATKINS REAL ESTATE HOLDINGS LLC			Y	Y	116	\$ 5,160.84	\$ 6,240.80	\$ 11,401.64

Project Name: 14th Street (CSAH 3) Reconstruction
 SEH Project No: CARLZ 153272
 Date: August 25, 2020
 Description: Preliminary Assessments

Cloquet 14th Street (CSAH 3) Preliminary Assessment Roll

Parcel No.	Tax Payer First Name	Tax Payer Last Name	Property Address	Water Replacement Benefit	Sanitary Replacement Benefit	Lot Adjusted Front Footage	Water Assessment \$	Sanitary Assessment \$	Total Lot Assessment to Property Owner
06-230-3260	GERALD L	MANTHEY	806 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-3220	PAULA K	OLSEN	808 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-2125	HOMER J	CARTER	809 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-2160	ELIZABETH L	MAY	811 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-335-0040	WILLIAM S & JANELLE M	BRYANT	1312 SAHLMAN AVE	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-155-0020	JAMIE B & LISA	BUSHEY	904 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-250-0020	MYRTLE J	RADFORD		Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-0060	WHITE PINE APARTMENTS CLOQUET LP		930 14TH ST	Y	Y	146	\$ 6,495.54	\$ 7,854.80	\$ 14,350.34
06-390-1100	HOUSING & REDEVELOPMENT AUTHORITY			Y	Y	76	\$ 3,381.24	\$ 4,088.80	\$ 7,470.04
06-390-1260	HOUSING & REDEVELOPMENT AUTHORITY			Y	Y	90	\$ 4,004.10	\$ 4,842.00	\$ 8,846.10
06-390-1280	HOUSING & REDEVELOPMENT AUTHORITY			Y	Y	92	\$ 4,093.08	\$ 4,949.60	\$ 9,042.68
06-390-1300	HOUSING & REDEVELOPMENT AUTHORITY		950 14TH ST	Y	Y	109	\$ 4,849.41	\$ 5,864.20	\$ 10,713.61
06-335-0440	LAURA	GARZA	1003 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-335-0460	EUGENE R & PATRICIA A	SMITH	1005 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-1320	SARA A	GLEASON	1006 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-1380	JANET A	WHITNEY	1008 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-230-3360	LINDA S	WILSON	1010 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-330-0320	KENT A & MARY G	JACOBSON	1103 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-1400	LYNN R & KATHLEEN J	HOLZNAGEL	1402 LINCOLN AVE	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-1480	JOHN T & RUTH I	ZISSOS	1108 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-390-1500	JOHN T & RUTH I	ZISSOS		Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
06-330-0280	GERALD D & MARY	HOVIS	1207 WASHINGTON AVE	N	Y	72	\$ -	\$ 3,873.60	\$ 3,873.60
06-330-0300	MATTHEW & DEBORAH	TIFFANY	1109 14TH ST	Y	Y	72	\$ 3,203.28	\$ 3,873.60	\$ 7,076.88
Total							\$ 297,015.24	\$ 359,168.80	\$ 656,184.04

ASSESSED 100% FOR NEW CONSTRUCTION

06-510-5832	JOHN A & MARY	ELLENA	1205 14TH ST	N	Y
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Appendix C

Estimate of Probable Cost

CSAH 3 (14th Street) - Estimate of Probable Cost

STATEMENT OF ESTIMATED QUANTITIES				PHASE 1 (PROSPECT TO CLOQUET)			PHASE 2 (TALL PINE LANE TO PROSPECT)			PHASE 1 (PROSPECT TO CLOQUET)			PHASE 2 (TALL PINE LANE TO PROSPECT)			TOTAL ESTIMATED COST		
ITEM NO.	ITEM DESCRIPTION	UNIT	TOTAL ESTIMATED QUANTITIES	S.A.P. 009-603-036 QUANTITIES			S.A.P. 009-603-036 QUANTITIES			S.A.P. 009-603-036 COST			S.A.P. 009-603-036 COST					
				ESTIMATED ROADWAY QUANTITIES	ESTIMATED STORM SEWER QUANTITIES	CITY QUANTITIES	ESTIMATED ROADWAY QUANTITIES	ESTIMATED STORM SEWER QUANTITIES	CITY QUANTITIES	UNIT PRICE	ESTIMATED ROADWAY COST	ESTIMATED STORM SEWER COST	CITY COST	ESTIMATED ROADWAY COST	ESTIMATED STORM SEWER COST	CITY COST		
2521.518	4" CONCRETE WALK	SQ FT	63874	32842			31032				\$ 7.00	\$ 229,894.00	\$ -	\$ -	\$ 217,224.00	\$ -	\$ -	\$ 447,118.00
2521.518	6" CONCRETE WALK	SQ FT	10749	6628			3921				\$ 13.00	\$ 88,784.00	\$ -	\$ -	\$ 50,973.00	\$ -	\$ -	\$ 139,757.00
2531.503	CONCRETE CURB AND GUTTER DESIGN B624	LIN FT	12272	5397			6975				\$ 20.00	\$ 105,940.00	\$ -	\$ -	\$ 139,500.00	\$ -	\$ -	\$ 245,440.00
2531.503	CONCRETE CURB AND GUTTER DESIGN D424	LIN FT	928				928				\$ 20.00	\$ -	\$ -	\$ -	\$ 18,560.00	\$ -	\$ -	\$ 18,560.00
2531.504	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	1066	570			496				\$ 90.00	\$ 51,300.00	\$ -	\$ -	\$ 44,640.00	\$ -	\$ -	\$ 95,940.00
2531.618	TRUNCATED DOMES	SQ FT	1141	425			716				\$ 40.00	\$ 17,000.00	\$ -	\$ -	\$ 28,640.00	\$ -	\$ -	\$ 45,640.00
2557.503	WIRE FENCE DESIGN 48V-9322	LIN FT	150				150				\$ 80.00	\$ -	\$ -	\$ -	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00
2563.601	TRAFFIC CONTROL	LUMP SUM	1	0.23	0.06	0.17	0.28	0.08	0.17		\$ 100,000.00	\$ 23,395.44	\$ 6,310.85	\$ 16,780.36	\$ 28,480.11	\$ 8,111.84	\$ 16,921.40	\$ 100,000.00
2564.518	SIGN PANELS TYPE C	SQ FT	520	260			260				\$ 50.00	\$ 15,600.00	\$ -	\$ -	\$ 15,600.00	\$ -	\$ -	\$ 31,200.00
2573.501	STABILIZED CONSTRUCTION EXIT	EACH	4	2			2				\$ 1,300.00	\$ 2,600.00	\$ -	\$ -	\$ 2,600.00	\$ -	\$ -	\$ 5,200.00
2573.502	STORM DRAIN INLET PROTECTION	EACH	87	41			56				\$ 150.00	\$ 13,500.00	\$ -	\$ -	\$ 8,400.00	\$ -	\$ -	\$ 14,550.00
2573.503	SILT FENCE, TYPE MS	LIN FT	10500	5228			5272				\$ 2.50	\$ 13,070.00	\$ -	\$ -	\$ 13,180.00	\$ -	\$ -	\$ 26,250.00
2574.507	COMMON TOPSOIL BORROW	CU YD	632	177			455				\$ 40.00	\$ 7,080.00	\$ -	\$ -	\$ 18,200.00	\$ -	\$ -	\$ 25,280.00
2574.508	FERTILIZER TYPE 3	POUND	547	153			394				\$ 2.00	\$ 306.00	\$ -	\$ -	\$ 788.00	\$ -	\$ -	\$ 1,094.00
2575.504	SODDING TYPE LAWN	SQ YD	7576	2121			5455				\$ 6.00	\$ 12,726.00	\$ -	\$ -	\$ 32,730.00	\$ -	\$ -	\$ 45,456.00
2575.504	EROSION CONTROL BLANKETS CATEGORY 3N	SQ YD	379	106			273				\$ 5.00	\$ 530.00	\$ -	\$ -	\$ 1,365.00	\$ -	\$ -	\$ 1,895.00
2575.505	SEEDING	[P] ACRE	0.08	0.02			0.06				\$ 300.00	\$ 6.00	\$ -	\$ -	\$ 18.00	\$ -	\$ -	\$ 24.00
2575.508	SEED MIXTURE 25-131	POUND	35	9			26				\$ 5.00	\$ 45.00	\$ -	\$ -	\$ 130.00	\$ -	\$ -	\$ 175.00
2575.508	HYDRAULIC MULCH MATRIX	POUND	200	50			150				\$ 1.00	\$ 50.00	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ 200.00
2575.509	MULCH MATERIAL TYPE 3	TON	0.16	0.04			0.12				\$ 1,500.00	\$ 60.00	\$ -	\$ -	\$ 180.00	\$ -	\$ -	\$ 240.00
2582.503	4" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	20100	10050			10050				\$ 1.00	\$ 10,050.00	\$ -	\$ -	\$ 10,050.00	\$ -	\$ -	\$ 20,100.00
2582.503	12" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	950	475			475				\$ 15.00	\$ 7,125.00	\$ -	\$ -	\$ 7,125.00	\$ -	\$ -	\$ 14,250.00
2582.503	24" SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	850	425			425				\$ 20.00	\$ 8,500.00	\$ -	\$ -	\$ 8,500.00	\$ -	\$ -	\$ 17,000.00
2582.503	4" BROKEN LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	1400	700			700				\$ 1.00	\$ 700.00	\$ -	\$ -	\$ 700.00	\$ -	\$ -	\$ 1,400.00
2582.503	12" DOTTED LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	30	15			15				\$ 10.00	\$ 150.00	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ 300.00
2582.503	4" DOUBLE SOLID LINE MULTI-COMPONENT GROUND IN (WR)	LIN FT	820	410			410				\$ 2.00	\$ 820.00	\$ -	\$ -	\$ 820.00	\$ -	\$ -	\$ 1,640.00
2582.518	PAVEMENT MESSAGE MULTI-COMPONENT GROUND IN (WR)	SQ FT	150	75			75				\$ 25.00	\$ 1,875.00	\$ -	\$ -	\$ 1,875.00	\$ -	\$ -	\$ 3,750.00
2582.518	CROSSWALK MULTI-COMPONENT GROUND IN (WR)	SQ FT	2600	1300			1300				\$ 15.00	\$ 19,500.00	\$ -	\$ -	\$ 19,500.00	\$ -	\$ -	\$ 39,000.00

	PHASE 1 (PROSPECT TO CLOQUET)			PHASE 2 (TALL PINE LANE TO PROSPECT)			TOTAL ESTIMATED COST
	ESTIMATED ROADWAY COST	ESTIMATED STORM SEWER COST	CITY COST	ESTIMATED ROADWAY COST	ESTIMATED STORM SEWER COST	CITY COST	
Subtotal	\$ 1,596,097.13	\$ 421,074.12	\$ 976,246.16	\$ 1,944,400.40	\$ 528,092.04	\$ 1,002,464.91	\$ 6,468,373.75
Contingency (10%)	\$ 169,609.71	\$ 42,107.41	\$ 97,624.52	\$ 194,440.04	\$ 52,809.20	\$ 100,246.49	\$ 646,837.38
Administrative Costs (12%)	\$ 191,531.66	\$ 50,528.89	\$ 117,149.42	\$ 233,328.05	\$ 63,371.04	\$ 120,295.79	\$ 776,204.86
Grand Total	\$ 1,947,238.50	\$ 513,710.42	\$ 1,191,019.09	\$ 2,372,168.48	\$ 644,272.29	\$ 1,223,007.19	\$ 7,891,416.88
				Total City Cost (Both Phases)			\$ 2,414,026.28



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ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and City Council
From: Tim Peterson, City Administrator
Date: September 1, 2020

ITEM DESCRIPTION: 2021 Utility Rate and CIP Discussion

Proposed Action

Review and discuss the proposed 2021 utility rates and capital improvement plans.

Background/Overview

In order to properly plan for ongoing maintenance and operations, ensure cash reserves follow our fund balance policy, and payment of capital projects, staff are continually reviewing utility rates. These rates need to balance these mentioned organizational needs with the effect our operations have on a customer's bill, so special attention is paid each year.

In the supporting documents we will cover a few topics to include:

- Utility usage and revenue
- Ongoing maintenance cost and debt payments
- Planned small utility rate increases over multiple years to reduce the impact
- Capital Improvement Project needs
- Impact to customers bill
- Comparison of rates to other communities

Supporting Documentation Attached

- Water Rate Study
- Sewer Rate Study
- AES Study – comparing our rates to other communities



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903

Phone: 218.879.3347 Fax: 218.879.6555

www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and City Council
From: Tim Peterson, City Administrator *TP*
Date: September 1, 2020

ITEM DESCRIPTION: 2021 Preliminary Budget Review

Proposed Action

Review and discuss the proposed 2021 budget.

Background/Overview

Staff began reviewing the proposed 2021 budget in June, working within each of their departments to examine previous years actuals along with future years goals. After their internal discussions, department heads met with the Finance Director and me to begin drafting the preliminary budget. Within your packet you will find these proposed budget summaries and detailed reports.

For this initial review, some important items to note are:

- Proposed Local Government Aid (LGA) increase is \$103,100
- Carlton County Assessors office preliminary estimate of Cloquet's taxable market value increased by 5.12%
 - Increased value of existing and new construction
 - City of Cloquet tax rate actually decreases from 39.606% to 39.093% with proposed levy increase
- Preliminary levy increase is 3.58% (\$109,000)
 - General Operations - \$42,800
 - Public Works Reserve - \$70,000
 - Includes Pinehurst Playground (future structure replacements as well)
- Assumptions needed to be made regarding health insurance increases (5%), as well as wage increases.
 - Contract negotiations to begin fall 2020
- Two potential retirements in key positions are planned, so funding was including for an overlap of staff to allow training
- Election budget amounts were removed from 2021, savings of \$30,700
- Required training and travel was postponed for much of 2020 for the Police Department. Because these are required trainings at specific intervals, we assumed each officer would need to make up their training in 2021. There is a one-time higher than average increase in the training line item for the Police Department.
 - Some of this cost is offset by the savings of changing our cellphone and hotspot provider the Chief Randall previously presented on.
- Within the Highway, Street, and Roads department there was \$58,000 in increases for health insurance adjustments. Much of this is reflecting actuals that were previously underestimated.

- The Park Department increases are due to a few different areas. First, the swimming pond and hockey arena cost increases are mostly reflecting actuals from previous years. As we are still new to budgeting for the arenas, we are learning the actual costs. Second, we have included the addition of a part time park employee to help with increasing workloads. The need was presented last year as well, and certainly the need remains or has increased even.
- Included in within expenditures is a Zoning and Subdivision Ordinance Update
 - The costs of this is not within the levy and I am proposing to use reserves to pay for this one-time expense.
 - This is also why you will see a net change (loss) of \$37,500 in 2021
- Largest change in the 2021 budget compared to previous years is funding for capital projects. For most of the Cloquet's history projects have been funded with cash, rather than debt. Recently, there was a change to this philosophy and projects were planned with bonding dollars rather than cash. This budget draft brings Cloquet back towards cash.
 - 14th Street will last two years and provide a high workload, but funded with Sales Tax
 - Franchise fees implemented in 2021, collection in 2022, will provide cash for street portions
 - Utility rate increases over next few years will provide funding necessary for projects

Supporting Documentation Attached

- 2021 Budget Documents

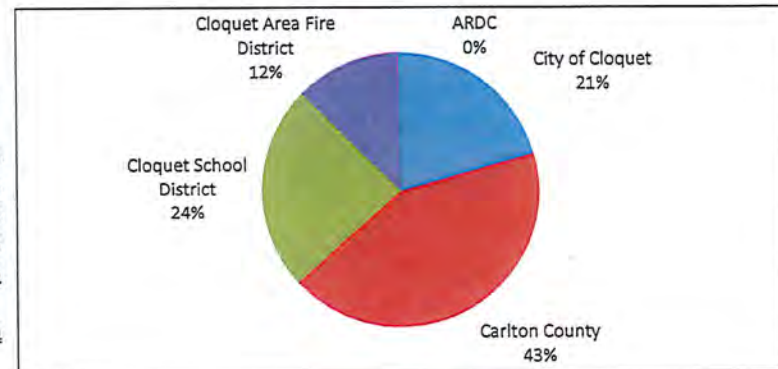
**City of Cloquet
Tax Levy Summary
2018 Actual Through 2024 Planning**

	Actual 2018	Actual 2019	Actual 2020	Proposed 2021	Planning 2022	Planning 2023	Planning 2024
General	\$ 2,042,000	\$ 2,231,500	\$ 2,135,350	\$ 2,178,150	\$ 2,305,000	\$ 2,450,300	\$ 2,480,300
Library	390,000	400,000	400,000	400,000	400,000	400,000	400,000
GO Swimming Pond Debt	105,000	110,000	110,000	110,000	110,000	105,500	110,000
GO Facilities Debt-Library	-	-	102,650	98,850	102,250	100,200	98,150
GO Facilities Debt-PW	-	-	-	-	-	-	-
GO Improvement Bonds - PI	-	-	-	-	-	-	-
Permanent Improvement	350,000	-	-	-	-	-	-
Public Works Reserve	150,000	250,000	295,000	365,000	305,000	270,000	300,000
Tax Levy	\$ 3,037,000	\$ 2,991,500	\$ 3,043,000	\$ 3,152,000	\$ 3,222,250	\$ 3,326,000	\$ 3,388,450
Levy Change (+/-)	2.26%	-1.50%	1.72%	3.58%	2.23%	3.22%	1.88%

Note
Park, Senior Center, and Community Development were moved to General Fund in 2019.

<u>Property Tax Rates</u>	2018	2019	2020
City of Cloquet	41.386%	39.606%	39.093%
Carlton County	80.610%	79.432%	81.040%
Cloquet School District	45.438%	46.752%	45.921%
Cloquet Area Fire District	20.510%	21.956%	23.686%
ARDC	0.176%	0.175%	0.181%
Total Direct and Overlapping	188.120%	187.921%	189.921%

2020 Property Taxes



City of Cloquet
Summary Comparison of All Funds Expenditures & Financing Uses
2018 Actual Through 2024 Planning

FUND		2018	2019	2020	2021	2022	2023	2024	('21 to '20 BUDGET)	
Description	No	ACTUAL	ACTUAL	BUDGET	PROPOSED	PLANNING	PLANNING	PLANNING	Dollars	%
General										
Total General Fund	101	6,485,911	9,146,755	7,568,800	7,867,650	8,024,950	8,244,800	8,238,700	298,850	3.95%
Special Revenue Funds										
LDO Loan (EDA)	201	46	-	2,200	2,200	2,200	2,200	2,200	-	-
Federal CDBG Loan (EDA)	202	-	-	7,500	42,500	17,500	17,500	17,500	35,000	466.67%
Economic Development Loan (City)	203	-	7,135	3,500	3,500	3,500	3,500	3,500	-	-
State SCDG/MIF (EDA)	204	131,258	-	-	-	-	-	-	-	-
Revolving SCGP (EDA)	206	1,610	239	10,000	10,000	10,000	10,000	10,000	-	-
Library	211	608,102	629,966	648,150	684,700	711,450	742,700	742,700	36,550	5.64%
Tax Increment - Daqota	220	8,394	6,493	25,000	-	-	-	-	(25,000)	-100.00%
Tax Increment - 14th St Apartments	221	20,502	29,040	25,000	25,000	25,000	25,000	25,000	-	-
Tax Increment - Oakwood Estates	222	47,884	97,940	55,000	55,000	55,000	55,000	55,000	-	-
Tax Increment - Patio Homes	223	-	-	55,000	55,000	55,000	55,000	55,000	-	-
Landfill Host Fee	260	371	113,423	15,000	15,000	15,000	15,000	15,000	-	-
Cable TV	614	165,832	156,011	117,250	119,850	122,950	124,800	127,800	2,600	2.22%
Total Special Revenue		983,999	1,040,248	963,600	1,012,750	1,017,600	1,050,700	1,053,700	49,150	5.10%
Debt Service Funds										
Business Park Bonds	368	250,121	978,666	-	-	-	-	-	-	-
Swimming Pond Bonds	370	97,972	99,748	103,900	102,900	101,800	100,400	103,650	(1,000)	-0.96%
City Sales Tax Bonds	372	-	-	547,850	542,750	547,300	546,500	545,500	(5,100)	-0.93%
Facilities Bonds	374	-	-	-	90,500	93,800	96,900	95,000	90,500	100.00%
Improvement Bonds	376	-	-	-	-	-	-	-	-	-
Total Debt Service		348,093	1,078,413	651,750	736,150	742,900	743,800	744,150	84,400	12.95%
Capital Project Funds										
Permanent Improvement	225	1,418,210	442,873	1,401,000	31,000	701,000	356,000	466,000	(1,370,000)	-97.79%
Public Facilities Planning	224	1,864,768	47,846	-	-	-	-	-	-	-
Public Works Reserve	231	459,741	361,576	433,000	551,000	334,000	391,000	427,000	118,000	27.25%
Revolving Capital Projects	403	1,397,902	3,182,123	3,739,000	-	700,000	2,085,000	585,000	(3,739,000)	-100.00%
City Sales Tax Projects	405	4,643,792	1,737,461	2,367,850	1,607,750	2,582,300	786,500	545,500	(760,100)	-32.10%
Total Capital Project Funds		9,784,413	5,771,879	7,940,850	2,189,750	4,317,300	3,618,500	2,023,500	(5,751,100)	-72.42%
Total Governmental Funds		17,602,416	17,037,295	17,125,000	11,806,300	14,102,750	13,657,800	12,060,050	(5,318,700)	-31.06%
Internal Service										
Employee Severance Benefits	701	70,625	3,107	5,000	5,000	30,000	5,000	30,000	-	-
Total Internal Service		70,625	3,107	5,000	5,000	30,000	5,000	30,000	-	-
Enterprise Funds										
Water - Lake Superior Waterline	600	2,639,398	2,777,169	12,756,200	2,802,150	2,756,650	2,712,650	2,717,650	(9,954,050)	-78.03%
Water - In Town System	601	1,335,149	1,441,989	2,661,950	2,287,680	2,227,820	2,483,550	2,223,750	(374,270)	-14.06%
Sewer Utility	602	1,653,914	1,831,548	2,132,300	2,062,250	1,809,000	2,009,250	1,923,550	(70,050)	-3.29%
Stormwater Utility	605	260,599	261,834	729,500	531,800	751,200	548,100	338,000	(197,700)	-27.10%
Total Enterprise Funds		5,889,060	6,312,540	18,279,950	7,683,880	7,544,670	7,753,550	7,202,950	(10,596,070)	-57.97%
Total Proprietary Funds		5,959,685	6,315,647	18,284,950	7,688,880	7,574,670	7,758,550	7,232,950	(10,596,070)	-57.95%
GRAND TOTAL ALL FUNDS		23,562,101	23,352,942	35,409,950	19,495,180	21,677,420	21,416,350	19,293,000	(15,914,770)	-44.94%

City of Cloquet
Summary Comparison of All Funds Revenues & Financing Sources
2018 Actual through 2024 Planning

FUND		2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 PROPOSED	2022 PLANNING	2023 PLANNING	2024 PLANNING	('21 to '20 BUDGET)		
Description	No								Dollars	Percent	
General											
Total General Fund		101	6,333,125	8,151,150	7,569,300	7,830,150	8,036,600	8,260,400	8,358,400	260,850	3.45%
Special Revenue Funds											
LDO Loan (EDA)	201	114,222	7,594	26,800	33,000	33,000	33,000	33,000	33,000	6,200	23.13%
Federal CDBG Loan (EDA)	202	10,200	25,100	10,000	10,000	10,000	10,000	10,000	-	-	-
Economic Development Loan (City)	203	2,329	146,724	11,500	11,700	11,700	11,700	11,700	200	1.74%	-
State SCDG/MIF (EDA)	204	1,100	-	-	-	-	-	-	-	-	-
Revolving SCGP (EDA)	206	36,031	22,941	8,000	8,000	8,000	8,000	8,000	-	-	-
Library	211	592,231	618,939	627,000	627,000	602,000	602,000	602,000	602,000	-	-
Tax Increment - Daqota	220	-	-	25,000	-	-	-	-	-	(25,000)	-100.00%
Tax Increment - 14th St Apartments	221	22,634	22,635	25,000	25,000	25,000	25,000	25,000	25,000	-	-
Tax Increment - Oakwood Estates	222	53,157	53,157	55,000	55,000	55,000	55,000	55,000	55,000	-	-
Tax Increment - Patio Homes	223	-	-	55,000	55,000	55,000	55,000	55,000	55,000	-	-
Landfill Host Fee	260	57,549	86,790	65,000	65,000	65,000	65,000	65,000	65,000	-	-
Cable TV	614	103,800	101,778	103,450	103,450	103,450	103,450	103,450	103,450	-	-
Total Special Revenue			993,253	1,085,657	1,011,750	993,150	968,150	968,150	968,150	(18,600)	-1.84%
Debt Service Funds											
Business Park Bonds	368	35,376	60	-	-	-	-	-	-	-	-
Swimming Pond Bonds	370	107,713	110,909	110,000	110,000	110,000	105,500	110,000	110,000	-	-
City Sales Tax Bonds	372	-	-	547,850	542,750	547,300	546,500	545,500	545,500	(5,100)	-0.93%
Facilities Bonds	374	-	-	-	98,850	102,250	100,200	98,150	98,150	98,850	100.00%
Improvement Bonds	376	-	-	-	-	-	-	-	-	-	100.00%
Total Debt Service			143,089	110,969	657,850	751,600	759,550	752,200	753,650	93,750	14.25%
Capital Project Funds											
Permanent Improvement	225	930,147	526,248	1,485,000	105,000	555,000	555,000	555,000	555,000	(1,380,000)	-92.93%
Public Facilities Planning	224	15,500	-	-	-	-	-	-	-	-	-
Public Works Reserve	231	234,794	263,897	425,000	526,000	335,000	390,000	426,250	426,250	101,000	23.76%
Revolving Capital Projects	403	1,397,902	3,909,629	3,739,000	-	700,000	2,085,000	585,000	585,000	(3,739,000)	100.00%
City Sales Tax Projects	405	1,957,538	1,078,540	985,000	915,000	915,000	915,000	915,000	915,000	(70,000)	-7.11%
Total Capital Project Funds			4,535,881	5,778,314	6,634,000	1,546,000	2,505,000	3,945,000	2,481,250	(5,088,000)	-76.70%
Total Governmental Funds			12,005,348	15,126,091	15,872,900	11,120,900	12,269,300	13,925,750	12,561,450	(4,752,000)	-29.94%
Internal Service Fund											
Employee Severance Benefits	701	41,212	227,770	10,000	10,000	10,000	10,000	10,000	10,000	-	-
Total Internal Service			41,212	227,770	10,000	10,000	10,000	10,000	10,000	-	-
Enterprise Funds											
Water Lake Superior Waterline	600	2,962,200	2,373,975	13,100,000	2,700,000	2,700,000	2,700,000	2,700,000	2,700,000	(10,400,000)	-79.39%
Water In-Town	601	1,353,232	2,359,079	2,165,500	1,944,350	2,079,500	2,079,450	2,079,450	2,079,450	(221,150)	-10.21%
Sewer Utility	602	1,597,011	1,916,992	2,084,000	1,889,000	2,049,000	2,169,000	2,169,000	2,169,000	(195,000)	-9.36%
Stormwater Utility	605	335,093	375,131	472,000	372,000	332,000	332,000	332,000	332,000	(100,000)	-21.19%
Total Enterprise Funds			6,247,536	7,025,177	17,821,500	6,905,350	7,160,500	7,280,450	7,280,450	(10,916,150)	-61.25%
Total Proprietary Funds			6,288,748	7,252,947	17,831,500	6,915,350	7,170,500	7,290,450	7,290,450	(10,916,150)	-61.22%
GRAND TOTAL ALL FUNDS			18,294,096	22,379,037	33,704,400	18,036,250	19,439,800	21,216,200	19,851,900	(15,668,150)	-46.49%

City of Cloquet
All Funds Revenues & Expenditures/Expenses Summary
2021 Budget

Revenues by Source for 2021

FUND Description	No	Property Taxes	Other Taxes	Intergovt	Charges	Bonds	All Others*	Transfers In	Revenues
Total General Fund	101	2,178,150	55,000	3,321,000	469,750	-	746,250	1,060,000	7,830,150
Special Revenue Funds									
LDO Loan (EDA)	201	-	-	-	-	-	33,000	-	33,000
Federal CDBG Loan (EDA)	202	-	-	-	-	-	10,000	-	10,000
Economic Development Loan (City)	203	-	-	-	-	-	11,700	-	11,700
State MIF (EDA)	204	-	-	-	-	-	-	-	-
Revolving SCDP (EDA)	206	-	-	-	-	-	8,000	-	8,000
Library	211	400,000	-	-	20,500	-	6,500	200,000	627,000
Tax Increment - Daqota	220	-	-	-	-	-	-	-	-
Tax Increment - 14th Street Apart.	221	-	25,000	-	-	-	-	-	25,000
Tax Increment - Oakwood Estates	222	-	55,000	-	-	-	-	-	55,000
Tax Increment - Patio Homes	223	-	55,000	-	-	-	-	-	55,000
Landfill Host Fee	260	-	-	-	-	-	65,000	-	65,000
Cable TV	614	-	103,000	-	-	-	450	-	103,450
Total Special Revenue		400,000	238,000	-	20,500	-	134,650	200,000	993,150
Debt Service Funds									
Business Park Bonds	368	-	-	-	-	-	-	-	-
Swimming Pond Bonds	370	110,000	-	-	-	-	-	-	110,000
City Sales Tax Bonds	372	-	-	-	-	-	-	542,750	542,750
Facility Bonds	374	98,850	-	-	-	-	-	-	98,850
Improvement Bonds	376	-	-	-	-	-	-	-	-
Total Debt Service		208,850	-	-	-	-	-	542,750	751,600
Capital Project Funds									
Permanent Improvement	225	-	-	-	-	-	105,000	-	105,000
Facilities Planning	224	-	-	-	-	-	-	-	-
Public Works Reserve	231	365,000	-	-	-	-	30,000	131,000	526,000
Revolving Capital Projects	403	-	-	-	-	-	-	-	-
City Sales Tax Projects	405	-	915,000	-	-	-	-	-	915,000
Total Capital Project Funds		365,000	915,000	-	-	-	135,000	131,000	1,546,000
Total Governmental Funds		3,152,000	1,208,000	3,321,000	490,250	-	1,015,900	1,933,750	11,120,900
Internal Service									
Employee Severance Benefits	701	-	-	-	-	-	10,000	-	10,000
Enterprise Funds									
Water - Lake Superior Waterline	600	-	-	-	2,700,000	-	-	-	2,700,000
Water - In Town System	601	-	-	-	1,814,350	-	130,000	-	1,944,350
Sewer Utility	602	-	-	-	1,834,000	-	55,000	-	1,889,000
Stormwater Utility	605	-	-	-	330,000	-	12,000	30,000	372,000
Total Enterprise Funds		-	-	-	6,678,350	-	197,000	30,000	6,905,350
Total Proprietary Funds		-	-	-	6,678,350	-	207,000	30,000	6,915,350
GRAND TOTAL ALL FUNDS		3,152,000	1,208,000	3,321,000	7,168,600	-	1,222,900	1,963,750	18,036,250

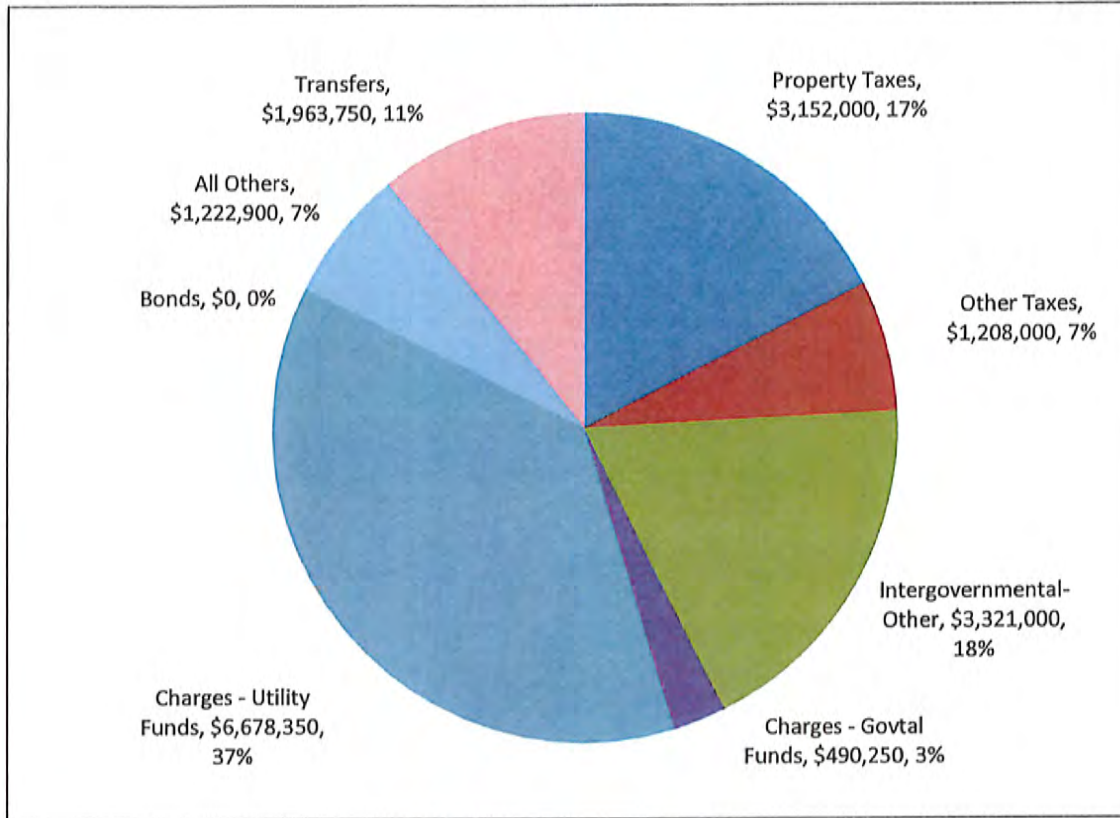
Expenditures/Expenses by Function for 2021

Personal Services	Supplies	Other Services	Debt	Capital	Transfers Out	Expenditure/Expenses
5,523,000	422,700	1,721,950	-	-	200,000	7,867,650
-	-	2,200	-	-	-	2,200
-	-	42,500	-	-	-	42,500
-	-	3,500	-	-	-	3,500
-	-	-	-	-	-	-
-	-	10,000	-	-	-	10,000
546,850	55,900	81,950	-	-	-	684,700
-	-	-	-	-	-	-
-	-	22,500	-	-	2,500	25,000
-	-	50,000	-	-	5,000	55,000
-	-	49,500	-	-	5,500	55,000
-	-	-	-	-	15,000	15,000
53,850	2,500	29,000	-	2,500	32,000	119,850
600,700	58,400	291,150	-	2,500	60,000	1,012,750
-	-	-	-	-	-	-
-	-	-	102,900	-	-	102,900
-	-	-	542,750	-	-	542,750
-	-	-	90,500	-	-	90,500
-	-	-	-	-	-	-
-	-	-	736,150	-	-	736,150
-	-	-	-	1,000	30,000	31,000
-	-	-	-	551,000	-	551,000
-	-	-	-	1,065,000	542,750	1,607,750
-	-	-	-	1,617,000	572,750	2,189,750
6,123,700	481,100	2,013,100	736,150	1,619,500	832,750	11,806,300
5,000	-	-	-	-	-	5,000
657,550	109,200	1,727,700	-	157,700	150,000	2,802,150
528,680	95,900	333,300	576,300	266,000	487,500	2,287,680
380,000	29,050	1,111,100	8,600	260,000	273,500	2,062,250
-	13,500	43,000	5,300	250,000	220,000	531,800
1,566,230	247,650	3,215,100	590,200	933,700	1,131,000	7,683,880
1,571,230	247,650	3,215,100	590,200	933,700	1,131,000	7,688,880
7,694,930	728,750	5,228,200	1,326,350	2,553,200	1,963,750	19,495,180

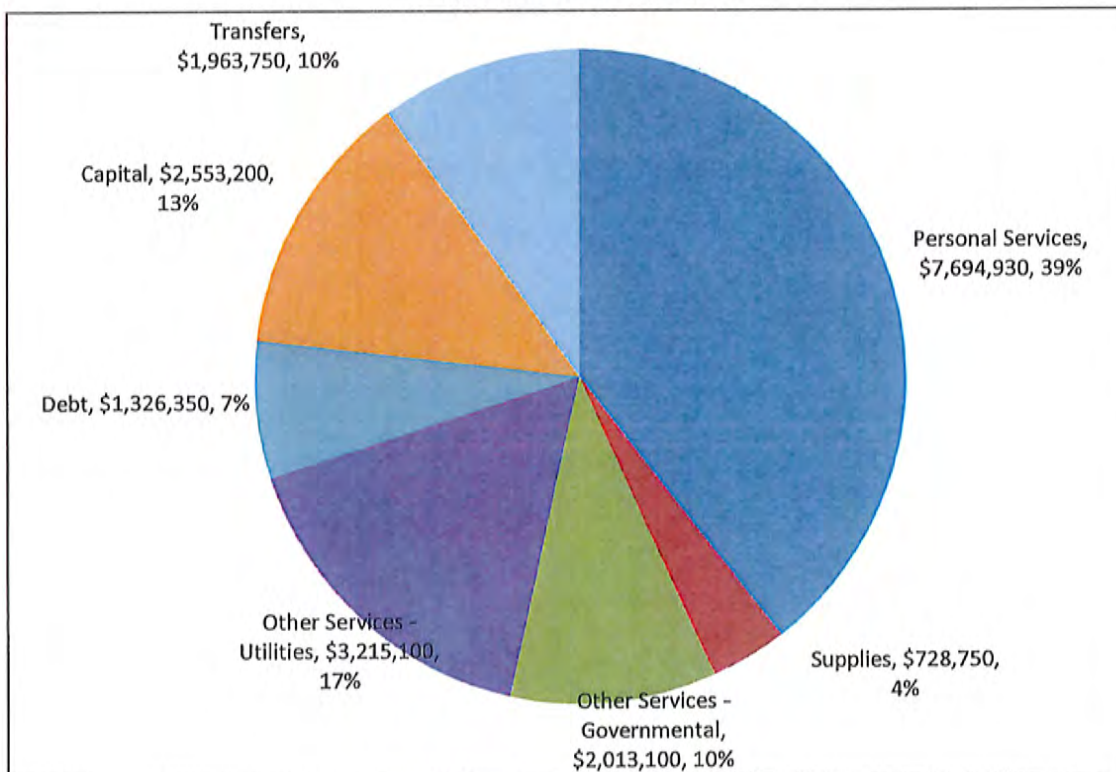
* - License and Permits, Fines & Forfeitures, Special Assessments, and Miscellaneous.

City of Cloquet 2021 Budget - All Funds

Revenues



Expenditures/Expenses



City of Cloquet
Summary Comparison of General Fund Expenditures & Financing Uses, Revenues & Financing Sources
2018 Actual through 2024 Planning

Descriptions	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2021 PROPOSED	2022 PLANNING	2023 PLANNING	2024 PLANNING	CHANGE ('21 to '20 BUDGET)	
								Dollars	Percent
Expenditures & Financing Uses:									
Council & Mayor	\$ 96,026	\$ 224,727	\$ 122,550	\$ 119,300	\$ 107,800	\$ 119,300	\$ 107,800	\$ (3,250)	-2.65%
Elections	19,542	12,718	30,700	-	20,700	-	30,700	(30,700)	-100.00%
Administration	174,158	264,618	322,600	334,200	351,550	360,800	363,800	11,600	3.60%
Human Resources	83,336	148,892	151,750	153,800	157,050	163,400	160,900	2,050	1.35%
Finance	179,786	232,345	245,000	267,550	265,100	276,350	275,950	22,550	9.20%
Prosecution	115,488	134,266	120,000	120,000	120,000	120,000	120,000	-	-
Managed Information Technology	58,464	65,578	60,000	60,000	60,000	60,000	60,000	-	-
Building & Planning Services	231,283	238,134	240,100	298,200	267,800	314,850	277,350	58,100	24.20%
General Government Bldgs	110,043	115,753	123,450	131,450	132,700	135,050	135,050	8,000	6.48%
WLSSD District Wide Allocation	26,004	25,807	25,500	26,000	26,000	26,000	26,000	500	1.96%
Public Safety Building	31,269	35,832	27,500	27,500	27,500	27,500	27,500	-	-
Police & Other Public Safety	3,045,042	3,051,766	3,211,700	3,233,850	3,384,800	3,482,350	3,482,350	22,150	0.69%
Highways, Streets, & Roadways	983,443	1,548,940	1,556,400	1,668,150	1,682,850	1,729,400	1,739,400	111,750	7.18%
Snow Removal	58,737	67,870	65,000	65,000	65,000	65,000	65,000	-	-
Street Lighting	128,844	108,634	137,500	135,500	135,500	135,500	135,500	(2,000)	-1.45%
Weed Control	12,305	21,378	12,500	15,000	15,000	15,000	15,000	2,500	20.00%
Parks	673,157	1,021,967	698,750	797,000	797,100	801,800	779,900	98,250	14.06%
Senior Center	13,688	11,412	13,700	13,700	13,700	13,700	13,700	-	-
Community Development	161,127	151,167	142,850	149,200	152,550	156,550	180,550	6,350	4.45%
Events Coordination	11,346	11,263	9,000	-	15,000	15,000	15,000	(9,000)	-100.00%
Lodging Tax Distribution	52,045	58,513	52,250	52,250	52,250	52,250	52,250	-	-
Other Financing Uses	220,778	1,595,174	200,000	200,000	175,000	175,000	175,000	-	-
Total	\$ 6,485,911	\$ 9,146,755	\$ 7,568,800	\$ 7,867,650	\$ 8,024,950	\$ 8,244,800	\$ 8,238,700	\$ 298,850	3.95%
Revenues & Financing Sources:									
Taxes	\$ 2,070,444	\$ 2,308,234	\$ 2,190,350	\$ 2,233,150	\$ 2,360,000	\$ 2,505,300	\$ 2,535,300	\$ 42,800	1.95%
Licenses & Permits	172,538	185,869	157,500	172,000	172,500	172,500	172,500	\$ 14,500	9.21%
Intergovernmental	2,992,126	3,022,084	3,217,900	3,321,000	3,334,300	3,364,300	3,394,300	\$ 103,100	3.20%
Charges for Service	442,627	438,739	451,050	469,750	474,950	480,250	485,250	\$ 18,700	4.15%
Fines & Forfeits	57,014	54,258	60,000	60,000	60,000	60,000	60,000	\$ -	-
Investment Income	133,499	241,820	150,000	175,000	200,000	200,000	200,000	\$ 25,000	16.67%
Miscellaneous	214,877	400,950	342,000	339,250	340,600	344,700	344,700	\$ (2,750)	-0.80%
Other Financing Sources	250,000	1,499,197	1,000,500	1,060,000	1,094,250	1,133,350	1,166,350	\$ 59,500	5.95%
Total	\$ 6,333,125	\$ 8,151,150	\$ 7,569,300	\$ 7,830,150	\$ 8,036,600	\$ 8,260,400	\$ 8,358,400	\$ 260,850	3.45%
NET CHANGE	\$ (152,786)	\$ (995,604)	\$ 500	\$ (37,500)	\$ 11,650	\$ 15,600	\$ 119,700	\$ (38,000)	

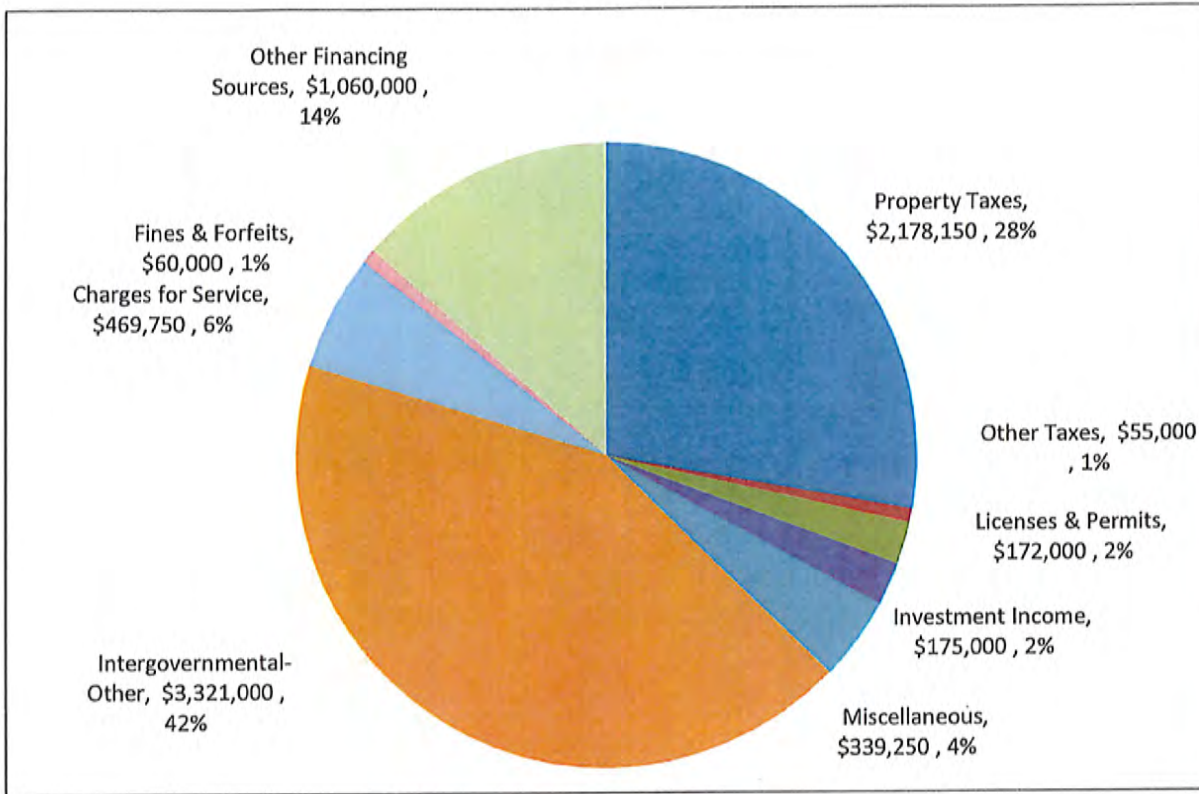
Police Dept

MCCU
Remodeling

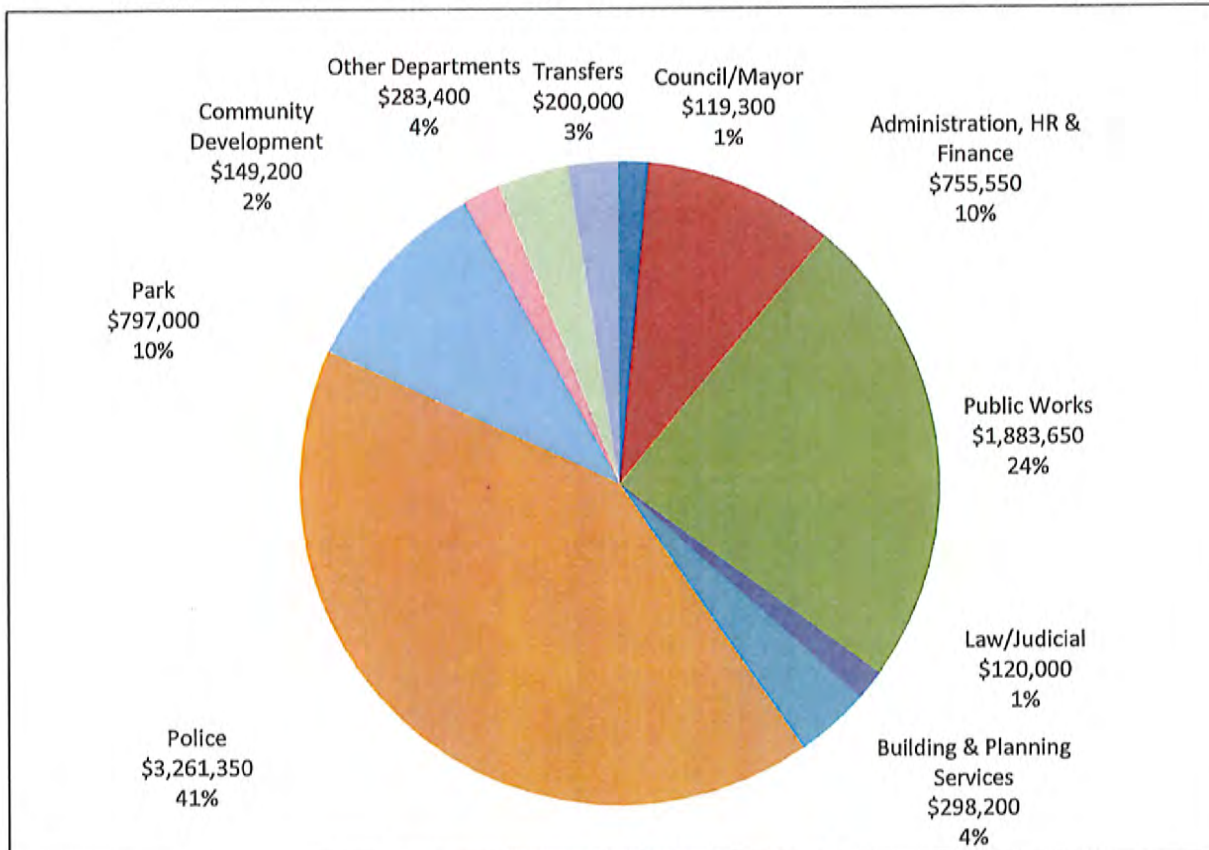
Code update

City of Cloquet 2021 General Fund Budget

Revenues



Expenditures



2021 Update
Projected Cash Balance - Water Fund

Description	Actual				Budget		Projected					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Number of Connections		4,319										
Meter Equivalents (Inside City Customers)	3,888	3,900	3,906	3,911	3,918	3,924	3,929	3,937	3,943	3,950	3,955	
Meter Equivalents (Outside City Customers)	418	419	421	421	422	423	423	424	425	425	426	
Water Sold												
Number of Connections	4,080	4,093	4,101	4,107	4,114	4,121	4,127	4,134	4,141	4,147	4,154	
Residential Use Per Year (1000 gallons)	145,260	149,525	149,023	148,523	148,024	147,522	147,026	146,531	146,037	145,545	145,049	
Commercial/Industrial Use Per Year (1000 gallons)	207,542	190,413	189,779	189,148	200,518	199,844	199,217	198,592	197,969	197,347	196,726	
Outside City Use Per Year (1000 gallons)	22,601	26,395	26,326	26,194	26,126	26,058	25,928	25,860	25,792	25,663	25,596	
Total Water Sold	375,403	366,332	365,129	363,865	374,668	373,425	372,171	370,983	369,798	368,555	367,371	
Actual Total Water Sold		375,675	399,120	397,754								
Water Rates												
Inside Charge (Per 1000 gallons)	\$ 2.00	\$ 2.00	\$ 2.35	\$ 2.70	\$ 3.05	\$ 3.40	\$ 3.75	\$ 4.10	\$ 4.45	\$ 4.80	\$ 5.15	
Outside Charge (Per 1000 gallons)	\$ 3.00	\$ 3.00	\$ 3.35	\$ 3.70	\$ 4.05	\$ 4.40	\$ 4.75	\$ 5.10	\$ 5.45	\$ 5.80	\$ 6.15	
Inside Fixed Charge Per Month (5/8" Equivalent Meter Size)	\$ 4.00	\$ 4.00	\$ 6.00	\$ 6.25	\$ 6.50	\$ 6.75	\$ 7.00	\$ 7.25	\$ 7.50	\$ 7.75	\$ 8.00	
Outside Fixed Charge Per Month (5/8" Equivalent Meter Size)	\$ 5.00	\$ 5.00	\$ 7.00	\$ 7.25	\$ 7.50	\$ 7.75	\$ 8.00	\$ 8.25	\$ 8.50	\$ 8.75	\$ 9.00	
Drinking Water Service Connection Fee Per Month	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	
Cash Inflows												
Water Sales												
Residential Water Sales	\$ 290,520	\$ 299,050	\$ 350,205	\$ 401,013	\$ 451,474	\$ 501,576	\$ 551,347	\$ 600,777	\$ 649,865	\$ 698,614	\$ 747,003	
Commercial/Industrial Water Sales	\$ 415,084	\$ 380,825	\$ 445,982	\$ 510,699	\$ 611,579	\$ 679,470	\$ 747,066	\$ 814,228	\$ 880,961	\$ 947,264	\$ 1,013,140	
Outside City Water Sales	\$ 67,803	\$ 79,184	\$ 88,192	\$ 96,919	\$ 105,811	\$ 114,656	\$ 123,157	\$ 131,886	\$ 140,568	\$ 148,847	\$ 157,415	
Fixed Charge	\$ 211,676	\$ 212,317	\$ 216,596	\$ 229,952	\$ 343,584	\$ 357,183	\$ 370,644	\$ 384,452	\$ 398,184	\$ 411,938	\$ 425,650	
Drinking Water Service Connection Fee	\$ 26,928	\$ 27,016	\$ 27,063	\$ 27,104	\$ 27,150	\$ 27,196	\$ 27,236	\$ 27,283	\$ 27,330	\$ 27,370	\$ 27,416	
Total Water Sales Revenue	\$1,012,011	\$ 998,392	\$ 1,228,038	\$ 1,365,687	\$ 1,539,599	\$ 1,680,081	\$ 1,819,450	\$ 1,958,626	\$ 2,096,908	\$ 2,234,034	\$ 2,370,624	
Other Utility Revenue												
Cash Over/Under	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Connection/Reconnection Fees	\$ 12,653	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Penalties and Forfeited Discount	\$ 15,057	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	
Other Revenue	\$ 2,281	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
Total Other Utility Revenue	\$ 29,991	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	
Non Operating Revenue												
Charges for Services (Labor, Equipment and Material)	\$ 18,455	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Special Assessments	\$ 52,158	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	
Miscellaneous	\$ 12,380	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	
Total Non Operating Revenues	\$ 82,993	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	
Bonds	\$ -	\$ -	\$ 1,357,485	\$ 3,256,725	\$ 2,961,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rev Totals Estimated (w/o Bonds)		\$1,160,892	\$ 1,390,538	\$ 1,528,187	\$ 1,702,099	\$ 1,842,581	\$ 1,981,950	\$ 2,121,126	\$ 2,259,408	\$ 2,396,534	\$ 2,533,124	
Rev Totals Actual (w/o Bonds)		\$1,220,672	\$ 1,350,978	\$ 1,755,680	\$ 1,702,099	\$ 1,842,581	\$ 1,981,950	\$ 2,121,126	\$ 2,259,408	\$ 2,396,534	\$ 2,533,124	
				\$ 1,515,700	\$ 1,658,000							

2021 Update
Projected Cash Balance - Water Fund

Description	Actual		Budget			Projected					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Cash Inflows	\$1,124,995	\$1,220,672	\$ 2,708,463	\$ 4,784,911	\$ 4,663,512	\$ 1,842,581	\$ 1,981,950	\$ 2,121,126	\$2,259,408	\$ 2,396,534	\$ 2,533,124
Cash Outflows											
Total O & M Costs	\$1,032,696	\$1,197,684	\$ 1,078,509	\$ 1,186,539	\$ 1,276,450	\$ 1,306,300	\$ 1,339,791	\$ 1,373,882	\$1,408,623	\$ 1,444,024	\$ 1,480,085
Debt Services (Principal + Interest on Bonds)	\$ 26,956	\$ 134,550	\$ 134,550	\$ 338,306	\$ 568,701	\$ 627,478	\$ 628,020	\$ 493,766	\$ 493,466	\$ 493,466	\$ 493,266
Total Capital Improvements	\$ 645,000	\$ -	\$ 1,357,485	\$ 3,406,725	\$ 3,078,913	\$ 353,500	\$ 250,000	\$ 610,000	\$ 318,750	\$ 1,002,000	\$ 750,000
Total Cash Outflows	\$1,704,652	\$1,332,234	\$ 2,570,544	\$ 4,931,570	\$ 4,924,064	\$ 2,287,278	\$ 2,217,811	\$ 2,477,648	\$2,220,839	\$ 2,939,490	\$ 2,723,351
Net Increase (or Decrease)	\$ (579,657)	\$ (111,562)	\$ 137,919	\$ (146,658)	\$ (260,552)	\$ (444,697)	\$ (235,861)	\$ (356,523)	\$ 38,568	\$ (542,957)	\$ (190,228)
Cash Balance											
Cash Balance Jan 1		\$3,614,514	\$ 3,502,952	\$ 3,640,871	\$ 3,494,212	\$ 3,233,660	\$ 2,788,963	\$ 2,553,102	\$2,196,579	\$ 2,235,148	\$ 1,692,191
Cash Balance Dec 31	\$3,614,514	\$3,502,952	\$ 3,640,871	\$ 3,494,212	\$ 3,233,660	\$ 2,788,963	\$ 2,553,102	\$ 2,196,579	\$2,235,148	\$ 1,692,191	\$ 1,501,963

Typical Residential Rate Impacts based on 5,000 gallon monthly average		
Year	2020	2021
Water Use	\$ 15.25	\$ 17.00
Water Fixed	\$ 6.50	\$ 6.75
Sewer Use	\$ 30.25	\$ 31.75
Sewer Fixed	\$ 5.00	\$ 5.50
MDH Fee	\$ 0.85	\$ 0.85
Estimated Total bill at 5,000 Gallons:	\$ 57.85	\$ 61.85

\$ 4.00 per month increase

2021 Update
Projected Cash Balance - Sewer Fund

Description	Actual				Budget		Projected					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Sewage												
Number of Connections	3,558	3,563	3,566	3,572	3,575	3,580	3,583	3,588	3,591	3,597	3,600	
Total Sewage Flow Per Year (1000 gallons)	260,025	246,977	245,882	245,372	246,785	246,276	245,195	244,688	243,614	243,108	242,041	
<i>Actual Sewer Sold</i>		<i>259,778</i>	<i>253,030</i>	<i>250,973</i>								
Sewer Rates												
Residential (Per 1000 gallons)	\$ 4.75	\$ 4.75	\$ 5.15	\$ 5.55	\$ 6.05	\$ 6.35	\$ 6.65	\$ 6.95	\$ 7.25	\$ 7.55	\$ 7.85	
Commercial/Industrial/Municipal (Per 1000 gallons)	\$ 4.75	\$ 4.75	\$ 5.15	\$ 5.55	\$ 6.05	\$ 6.35	\$ 6.65	\$ 6.95	\$ 7.25	\$ 7.55	\$ 7.85	
Inside Fixed Charge Per Month (All Meter Size)	\$ 3.00	\$ 3.00	\$ 4.00	\$ 4.00	\$ 5.00	\$ 5.50	\$ 6.00	\$ 6.50	\$ 7.00	\$ 7.50	\$ 8.00	
Cash Inflows												
Operating/Utility Revenue from Sewage												
Sewer Charges	\$ 1,235,119	\$ 1,173,138	\$ 1,266,292	\$ 1,351,817	\$ 1,493,047	\$ 1,563,854	\$ 1,630,549	\$ 1,700,581	\$ 1,766,201	\$ 1,835,463	\$ 1,900,018	
Fixed Charge	\$ 128,088	\$ 128,274	\$ 171,184	\$ 171,433	\$ 214,482	\$ 236,272	\$ 257,981	\$ 279,884	\$ 301,682	\$ 323,698	\$ 345,585	
Total Operating Revenue	\$ 1,363,207	\$ 1,301,413	\$ 1,437,476	\$ 1,523,249	\$ 1,707,529	\$ 1,800,126	\$ 1,888,530	\$ 1,980,465	\$ 2,067,883	\$ 2,159,161	\$ 2,245,603	
Other Utility Revenue												
Connection/Reconnection Fees	\$ 6,763	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
Penalties and Forfeited Discount	\$ 15,558	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	
Miscellaneous (Dumping Fees)	\$ 114,743	\$ 120,000	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Other Utility Revenue	\$ 137,064	\$ 142,000	\$ 142,000	\$ 142,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	
Non Operating Revenue												
Charges for Service	\$ 5,532	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	
Special Assessments	\$ 64,612	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
Miscellaneous	\$ 7,568	\$ 45,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
Total Non Operating Revenues	\$ 77,712	\$ 72,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	\$ 57,000	
Bonds					\$ 579,847	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total W/O Bonds					\$ 1,786,529							
Total Cash Inflows	\$ 1,577,983	\$ 1,514,406	\$ 1,597,011	\$ 1,832,195	\$ 2,366,376	\$ 1,879,126	\$ 1,967,530	\$ 2,059,465	\$ 2,146,883	\$ 2,238,161	\$ 2,324,603	
Cash Outflows												
Operating and Maintenance Expenses	\$ 1,446,386	\$ 1,546,329	\$ 1,462,379	\$ 1,647,333	\$ 1,584,800	\$ 1,747,300	\$ 1,786,440	\$ 1,826,360	\$ 1,867,080	\$ 1,908,650	\$ 1,951,060	
Debt Services (Principal + Interest on Bonds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,590	\$ 44,590	\$ 44,590	\$ 44,590	\$ 44,590	\$ 44,590	
Total Capital Improvements	\$ 125,000	\$ 175,000	\$ 190,000	\$ 85,000	\$ 657,347	\$ 303,500	\$ -	\$ 180,000	\$ 87,500	\$ 426,000	\$ 400,000	
Total Cash Outflows	\$ 1,571,386	\$ 1,723,329	\$ 1,652,379	\$ 1,732,333	\$ 2,242,147	\$ 2,095,390	\$ 1,831,030	\$ 2,050,950	\$ 1,999,170	\$ 2,379,240	\$ 2,395,650	
Net Increase (or Decrease)	\$ 6,597	\$ (108,923)	\$ (55,368)	\$ 99,862	\$ 124,229	\$ (216,264)	\$ 136,499	\$ 8,515	\$ 147,713	\$ (141,079)	\$ (71,047)	
Cash Balance												
Cash Balance Jan 1		\$ 1,090,419	\$ 981,496	\$ 926,128	\$ 1,025,990	\$ 1,150,219	\$ 933,954	\$ 1,070,454	\$ 1,078,969	\$ 1,226,681	\$ 1,085,602	
Cash Balance Dec 31	\$ 1,090,419	\$ 981,496	\$ 926,128	\$ 1,025,990	\$ 1,150,219	\$ 933,954	\$ 1,070,454	\$ 1,078,969	\$ 1,226,681	\$ 1,085,602	\$ 1,014,555	

Typical Residential Rate Impacts based on 5,000 gallon monthly average		
Year	2020	2021
Water Use	\$ 15.25	\$ 17.00
Water Fixed	\$ 6.50	\$ 6.75
Sewer Use	\$ 30.25	\$ 31.75
Sewer Fixed	\$ 5.00	\$ 5.50
MDH Fee	\$ 0.85	\$ 0.85
Estimated Total bill at 5,000 Gallons:	\$ 57.85	\$ 61.85

\$ 4.00 per month increase

2019 AE2S Utility Rates for Outstate MN Cities (based on 6,000 gallon/month average use) Assume 2% Inflation								
	2019	2020	2021	2022	2023	2024	2025	2026
1	\$ 29	\$ 29	\$ 30	\$ 31	\$ 31	\$ 32	\$ 33	\$ 33
2	\$ 38	\$ 38	\$ 39	\$ 40	\$ 41	\$ 41	\$ 42	\$ 43
3	\$ 49	\$ 50	\$ 51	\$ 52	\$ 53	\$ 54	\$ 55	\$ 56
4	\$ 53	\$ 54	\$ 55	\$ 56	\$ 57	\$ 58	\$ 60	\$ 61
5	\$ 56	\$ 57	\$ 58	\$ 59	\$ 61	\$ 62	\$ 63	\$ 64
6	\$ 58	\$ 59	\$ 60	\$ 62	\$ 63	\$ 64	\$ 65	\$ 67
7	\$ 62	\$ 63	\$ 65	\$ 66	\$ 67	\$ 69	\$ 70	\$ 71
8	\$ 62	\$ 63	\$ 65	\$ 66	\$ 67	\$ 69	\$ 70	\$ 71
9	\$ 63	\$ 64	\$ 66	\$ 67	\$ 68	\$ 70	\$ 71	\$ 72
10	\$ 70	\$ 72	\$ 73	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81
11	\$ 70	\$ 72	\$ 73	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81
12	\$ 72	\$ 73	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81	\$ 82
13	\$ 72	\$ 73	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81	\$ 83
14	\$ 73	\$ 74	\$ 76	\$ 77	\$ 79	\$ 80	\$ 82	\$ 83
15	\$ 74	\$ 75	\$ 77	\$ 78	\$ 80	\$ 82	\$ 83	\$ 85
16	\$ 75	\$ 76	\$ 78	\$ 79	\$ 81	\$ 82	\$ 84	\$ 86
17	\$ 75	\$ 77	\$ 78	\$ 80	\$ 82	\$ 83	\$ 85	\$ 87
18	\$ 78	\$ 79	\$ 81	\$ 82	\$ 84	\$ 86	\$ 87	\$ 89
19	\$ 78	\$ 79	\$ 81	\$ 83	\$ 84	\$ 86	\$ 88	\$ 89
20	\$ 81	\$ 83	\$ 85	\$ 86	\$ 88	\$ 90	\$ 92	\$ 94
21	\$ 81	\$ 83	\$ 85	\$ 86	\$ 88	\$ 90	\$ 92	\$ 94
22	\$ 84	\$ 85	\$ 87	\$ 89	\$ 91	\$ 92	\$ 94	\$ 96
23	\$ 85	\$ 87	\$ 89	\$ 91	\$ 92	\$ 94	\$ 96	\$ 98
24	\$ 87	\$ 89	\$ 91	\$ 92	\$ 94	\$ 96	\$ 98	\$ 100
25	\$ 94	\$ 95	\$ 97	\$ 99	\$ 101	\$ 103	\$ 105	\$ 108
26	\$ 95	\$ 97	\$ 99	\$ 101	\$ 103	\$ 105	\$ 107	\$ 109
27	\$ 90	\$ 92	\$ 94	\$ 95	\$ 97	\$ 99	\$ 101	\$ 103
28	\$ 99	\$ 101	\$ 103	\$ 106	\$ 108	\$ 110	\$ 112	\$ 114
29	\$ 106	\$ 108	\$ 110	\$ 112	\$ 114	\$ 117	\$ 119	\$ 121
30	\$ 106	\$ 108	\$ 110	\$ 112	\$ 115	\$ 117	\$ 119	\$ 122
31	\$ 144	\$ 147	\$ 150	\$ 153	\$ 156	\$ 159	\$ 162	\$ 165

Cloquet Utility Rates (6,000 gallon/month)		
Year	2020	2021
Water Use	\$ 18.30	\$ 20.40
Water Fixed	\$ 6.50	\$ 6.75
Sewer Use	\$ 36.30	\$ 38.10
Sewer Fixed	\$ 5.00	\$ 5.50
MDH Fee	\$ 0.85	\$ 0.85
Stormwater Fee	\$ 4.00	\$ 4.00
Total at 6,000 Gallons:	\$ 70.95	\$ 75.60

\$ 4.65 per month increase