



**CITY OF CLOQUET**  
**City Council Agenda - AMENDED**  
**Tuesday, December 6, 2016**  
**7:00 p.m.**  
**City Hall Council Chambers**

CITY COUNCIL WORK SESSION

5:30 p.m. Special Assessment Policy Interest Rate Legal Review  
6:15 p.m. City Council Goals Update  
6:45 p.m. Future Work Session Agenda Items

1. **Roll Call.**
2. **Pledge of Allegiance.**
3. **Approval of Agenda.**
  - a. Approval of December 6, 2016 Council Agenda
4. **Approval of Council Minutes.**
  - a. Work Session Minutes from the November 15, 2016 meeting
  - b. Regular Council Minutes from the November 15, 2016 meeting
5. **Consent Agenda.**

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

  - a. Resolution No. 16-95, Authorizing the Payment of Bills and Payroll
  - b. 2017 Business License Renewals
  - c. Approval of Raffle Permit – Knights of Columbus
  - d. Optional 2 A.M. Liquor License - Northeastern Saloon & Grille
  - e. Approval of New Liquor License – Rivdogg, LLC, dba Ave. C
  - f. Approval of New Massage Therapist License – Lisa Langness
6. **Public Hearings.**

None.



**CITY OF CLOQUET**  
**City Council Agenda**  
**Tuesday, December 6, 2016**  
**7:00 p.m.**  
**City Hall Council Chambers**

**7. Presentations.**

None.

**8. Council Business.**

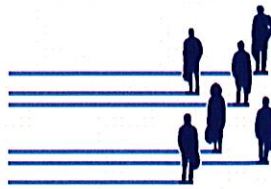
- a. Resolution No. 16-84, A Resolution Adopting the 2017 Budget
- b. Resolution No. 16-85, A Resolution Adopting Sums of Money to be Levied for Levy Year 2016, Payable in 2017
- c. 2017 Employee Pay Plan
- d. Resolution No. 16-94, A Resolution Establishing Personnel Policies Handbook
- e. Ordinance 460A, An Ordinance to Delete and Replace Section 6.2 of the Municipal Code Pertaining to Alcoholic Beverage Licensing
  - Resolution No. 16-87, A Resolution Authorizing Publication of a Summary of Ordinance No. 460A
- f. Snow and Ice Control Policy
- g. Contract for Stantec Skate Park Design Services Phase II
- h. Parks Department Trailer Purchase

**9. Public Comments.**

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

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

**11. Adjournment.**



FRANK YETKA  
DAVID C. PRITCHETT\*\*  
WILLIAM T. HELWIG\*††\*\*\*  
SARA JANKOFSKY\*\*\*  
BENJAMIN STABENOW

JOHN M. GASSERT, *Of Counsel*  
DENNIS KORMAN, *Of Counsel*  
FLOYD D. RUDY, *Founder (1935-2015)*  
LAWRENCE R. YETKA, *Retired*

**Rudy, Gassert, Yetka,  
Pritchett & Helwig, P.A.**

**A T T O R N E Y S • A T • L A W**

November 5, 2016

Mr. Brian Fritsinger  
City Administrator  
City of Cloquet, City Hall  
1307 Cloquet Avenue  
Cloquet, MN 55720

**Attorney Client Legal Opinion**

**Re: Special Assessment Interest Rates**

Dear Brian:

I acknowledge receipt of your e-mail request for a legal opinion concerning a request you have received from the City Council as to the viability of retroactively changing the interest rates on special assessment that were previously approved by the Council. Based upon the research I have conducted, it would appear that retroactively attempting to change the interest rate on an assessment that has been certified to the County is not only ill-advised but is not permitted by statute.

Minnesota Statute § 429.061 permits a city council to determine the amount of the assessment and the interest rate that will apply to the assessment for its duration. That statute also requires that all assessments shall bear interest at such rate as the resolution determines when adopted by the Council. This statute is consistent with Minnesota Statute § 475.55 which also provides that the governing body can be resolution determine what the interest rate on an assessment will be as long as that rate does not exceed any city ordinance or charter setting a maximum rate. Accordingly, unless the City has previously adopted an ordinance setting a maximum rate on assessments, there is nothing to prevent the City Council from adopting a consistent rate of 8%. I do agree that in this climate of consistently lower interest rates that the City Council may decide to adopt a different interest rate policy prospectively.

Minnesota Statute § 430.06 sets forth how assessment installments concerning an approved assessment are certified to the County and subsequently charged to affected landowners benefitting from the improvement. Subdivision 1 clearly provides that unless the City Council determines otherwise and determines that the assessment will be paid off in either five (5) or ten (10) equal installments, all installments will be equally applied over a period of twenty (20) years with the principal being paid off at 5% each year. That provision also provides that the principal amount of the assessment will be assessed to the annual taxes including annual interest until the principal amount has been collected.

Moreover, the statute provides that the county auditor shall include in the annual taxes one of the installments and one year's interest upon that installment and all subsequent installments *at the same rate*. In other words, once the special assessment has been approved and an interest rate established, and the improvement has been certified to the county auditor, the interest rate cannot be changed. Accordingly, if the City Council is going to reduce interest rates going forward, a new and lower interest rate should be established at the time the assessment is certified and sent to the county auditor but not retroactively.

Now I know this not a question that you asked me to review, but there are circumstances where the City Council does have the discretion to defer assessments. The City can defer assessments on undeveloped property, to senior citizens and permanent and totally disabled people, and those who have performed military service. However, even in those instances the deferral determination must be made up front and must be recorded at the time the matter is certified to the auditor because if the deferrals are not noted up front, once they have been certified to the auditor they cannot be retroactively made effective.

The only mechanism that I am aware of that might work if the City Council is insistent that a project had been over assessed would be to order a reassessment of certain special assessment levy that they previously approved. In other words, if they came into possession of information that indicated that a prior special assessment had been over assessed, I am assuming they could have the project reassessed and then they could adopt a lower interest rate when they adopted the new resolution. I am not aware of any mechanism that would statutorily permit them to change the interest rate on an already approved and certified special assessment.

The only other practical way for an assessed property owner to avoid paying interest would be to pay the total amount of the assessment when it was originally adopted and within thirty (30) days of adoption. In such a circumstance, the affected landowner cannot be charged interest. The key deadline that seems to repeat itself in the statutes pertains to the date the matter is certified to the county auditor. Once that has occurred, the interest rate has been effectively established.

Hopefully this addresses the question that you had regarding retroactively modifying the interest rates on already approved and certified assessments. There is also a practical reason this is how special assessments should be treated. I can imagine there are a number of corporations or landowners that file tax returns based upon assessments and interest paid. If the governing body were allowed to retroactively change the interest rate, not only would it be difficult for banks and third parties to determine payoff figures, but there may be any number of tax returns that might have to be subsequently modified or amended to reflect the change of circumstances. For all of the reasons stated above I would strongly advise that the City Council not attempt to retroactively change or modify interest rates but adopt a policy going forward to set interest rates in a consistent fashion that more accurately reflects then existing rates of interest generally.



Brian Fritsinger Letter

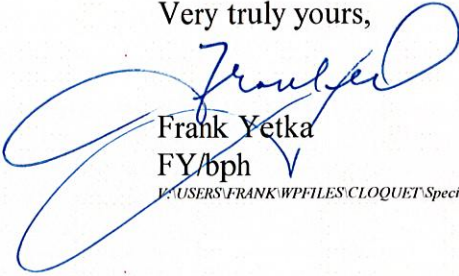
November 5, 2016

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Please do not hesitate to contact me if you have any additional questions or concerns I have not addressed.

Very truly yours,



Frank Yetka

FY/bph

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## ADMINISTRATIVE OFFICES

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### REQUEST FOR COUNCIL ACTION

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator  
Date: November 28, 2016



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**ITEM DESCRIPTION:** City Council Goals Update

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#### Proposed Action

Staff recommends that the City Council review and discuss the status of the efforts to complete the various goals and strategies as established for 2016-2018 by the City Council and plans for its 2017 retreat.

#### Background/Overview

Attached the City Council will find the Implementation Steps resulting from the 2015 City Council/Department Head Retreat where goals and strategies were developed and adopted. All priorities are up to date in terms of status and/or completion.

With 2016 drawing to a close, it is appropriate for the Council to spend some time discussing the goals. The City Council has identified its intentions to hold a strategic planning retreat in early 2017 to both discuss issues of organizational importance as well as identify updated goals and strategies.

As staff begins preparing for the activities, the Council may wish to give feedback to certain aspects of the retreat. Those items may include:

- Facilitator
- Schedule
- Topics or identification of broader objectives of retreat

Finally, the Council may wish to review and discuss any or all of the previous goals and objectives and any realignment that is appropriate for the next several months.

#### Policy Objectives

The City adoption of priorities and goals is important to the City as a tool to assist with the development of long range service plans. This in turn allows the City to allocate resources and plan for any financial implications related to the pursuit of such goals. Regular review of the goals and making those goals available for the public's information can assist the City with efforts related to transparency, engaging the public and to identify potential parties that may be able to assist with related efforts.

To Mayor and Council  
City Council Goals and Update  
November 28, 2016  
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**Financial/Budget/Grant Considerations**

None.

**Advisory Committee/Commission Action**

None.

**Supporting Documentation Attached**

- Summary 2016-2018 Goals and Strategies Implementation Steps

**Strategic Priority 1: Financial Stability**

**Key Outcome Indicator: Bond Rating; Target: AA+**

**Initiative A: Debt Policy**

| Actions   | Measure of Success   | Who's Responsible                     | Target Date   |
|---|--|---------------------------------------|---|
| Research other Communities and Advisory information.          | Copies of various debt policies and recommendations from GFOA and LMC. | Finance Director                      | COMPLETE  |
| Create Rough Draft of Debt Policy.                            | Draft ready to be reviewed.  | Finance Director                      | <del>10-31-2015</del><br>COMPLETE                               |
| Review and Discuss Debt Policy Draft with City Administrator. | Meeting between Finance Director and City Administrator.               | City Administrator & Finance Director | <del>11-30-2015</del><br>COMPLETE                               |
| Revise Draft Debt Policy as Needed.                           | Debt Policy ready to be presented to Council.                          | Finance Director                      | <del>12-31-2015</del><br>COMPLETE                               |
| Debt Policy Approved.   | Request for council action prepared and item put on agenda.            | Council<br>Finance Director           | <del>1-30-2016</del> or<br>sooner if debt<br>issued<br>COMPLETE |
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**Strategic Priority 1: Financial Stability**

**Key Outcome Indicator: LGA Usage; Target 50% by 12/2020**

**Initiative B: Develop LGA Operational Reduction Strategy**

| Actions  | Measure of Success  | Who's Responsible | Target Date                      |
|--|---|-------------------|----------------------------------|
| History of LGA changes.  | Worksheet showing City's LGA certified and actually received. | Finance Director  | COMPLETE                         |
| Determine current % of operating budget covered by LGA.          | Calculation of current %.                                     | Finance Director  | <del>5-30-2016</del><br>COMPLETE |
| Forecast LGA and other operational items.                        | Worksheet/graph with forecast.                                | Finance Director  | 5-30-2016                        |
| Develop options to shift LGA revenue away from operating budget. | Worksheet showing options.                                    | Finance Director  | 5-30-2016                        |
| Monitor and adjust yearly or sooner if necessary.                | Options incorporated into budget schedules.                   | Finance Director  | Yearly during budget process     |
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**Strategic Priority 1: Financial Stability**

**Key Outcome Indicator: Forecasted Budget; Target: Operating Budget Within 10% of Adopted Budget**

**Initiative C: Create/Establish a Budget Monitoring Plan**

| Actions  | Measure of Success   | Who's Responsible  | Target Date   |
|--|--|--|---|
| Establish draft procedures for monitoring and reporting budget to actual results.  | Draft document outlining the procedures for reporting budget variances.  | Finance Director   | <del>4-30-2016</del><br>IN PROGRESS                         |
| Review draft with City Administrator and Department Heads.   | Draft presented at department head meeting.  | City Administrator<br>Finance Director<br>Other Department Heads | 1-30-2017   |
| Budget entered into system more accurately by month.   | Budget in system timed to actual month closer.   | Finance Director   | 1-30-2017   |
| Department Heads responsible for monitoring their budgets and explaining variance to the Finance Department.                         | Department Heads are reporting variances to Finance for inclusion in the monthly financial report to the City Administrator. | Department Heads   | 1-30-2017   |
| Quarterly departments report to Council for over/under budget items for their departments if determined to be significant variances. | Quarterly reports to Council by Department Heads for significant variances.  | Department Heads   | End of Quarter 1, 2017 (May 2017) and quarterly thereafter. |
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**Strategic Priority 2: Economic Development**

**Key Outcome Indicator:**

Retention Rate Target: No Net Business Loss

**Initiative A: Develop a Comprehensive Business Retention/Outreach Program**

| Actions   | Measure of Success  | Who's Responsible        | Target Date                      |
|---|---|--------------------------|----------------------------------|
| Conduct ongoing BRE Visits (city, chamber, county)  | Visit 3 businesses quarterly (1/month).   | Kelly Zink<br>Holly      | <del>09-30-2015</del><br>ONGOING |
| Conduct business exit interviews to ID issues experienced   | Develop exit interview. Monitor media/local beat to analyze who is or has gone out of business, then ID who will take the lead in contacting the business to inquire / schedule exit interview. | Holly<br>Kelly<br>Connie | <del>09-30-2015</del><br>ONGOING |
| Survey major businesses to ID supply chain vendors who may be interested in starting a business in Cloquet.                             | Initiate / outreach to different companies identified that are currently not here but were identified as a supply vendor need.  | Holly<br>EDA             | 12-31-2015                       |
| Ensure that Cloquet land and building opportunities are online  | Quarterly scan Northland Connection property listings to ensure their accuracy.   | Holly<br>EDA             | ONGOING                          |
| Ensure that regional economic development partners are aware of opportunities in Cloquet (e.g. APEX, Northspan, Entrepreneur Fund etc.) | Ongoing quarterly communications with agency contacts.  | Holly<br>EDA             | <del>9-30-2015</del><br>ONGOING  |
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**Strategic Priority 2: Economic Development**

**Key Outcome Indicator:** New Businesses Target: 1 New Commercial/Retail Center – Hwy 33 Open; 5 Acres Business Park Sold; 15,000 Sq. Ft. New Office Manufacturing in Cloquet Business Park

**Initiative B:** Develop a Strategy for Hwy 33 Corridor. Specific Areas; 1) North Hwy 33 Business Park; 2) South Highway 33 and I-35

| Actions   | Measure of Success   | Who's Responsible            | Target Date   |
|---|--|------------------------------|---|
| ID Strategies and Alternatives for the South Hwy 33 Development Site (City Project Area: DNR/Nelsons)       | The EDA has reviewed the alternatives for the development objectives and identified a preferred development concept.           | Holly<br>EDA                 | <del>09-30-2015</del><br>ONGOING                          |
| ID Strategies and Alternatives for North Hwy 33 Development Site (City Project Area: Cloquet Business Park) | The EDA and City Council have developed an overall City marketing plan that identifies strategies for Business Park marketing. | Holly<br>EDA<br>City Council | <del>12-31-2015</del><br><del>03-01-2016</del><br>ONGOING |
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**Strategic Priority 2:** Economic Development

**Key Outcome Indicator:** Downtown Reinvestment Target: 10%  
Reduction Storefront Vacancies; 15 Storefront Renovations

**Initiative C:** Conduct Outreach to Downtown Property Owners

| Actions   | Measure of Success   | Who's Responsible            | Target Date   |
|---|--|------------------------------|---|
| Hold property owner input sessions for Cloquet Avenue properties                                  | ID major barriers needs and opportunities for Cloquet Avenue District and educate property owners on existing City programs and other tools or possibilities to accomplish goals (e.g. SSDs)     | Holly<br>EDA                 | <del>9-30-2015</del><br><del>12-31-2015</del><br>COMPLETE |
| Hold property owner input sessions for West End Business properties                               | ID major barriers needs and opportunities for the West End Business District. Educate property owners on existing City programs and other tools or possibilities to accomplish goals (e.g. SSDs) | Holly<br>EDA                 | <del>9-30-2015</del><br><del>12-31-2015</del><br>COMPLETE |
| Review all Downtown barriers and needs identified in the input sessions with the EDA and Council. | Plan developed to encourage future revitalization and reinvestment in the downtown commercial areas by private interests.  | Holly<br>EDA<br>City Council | <del>6-30-2016</del><br><del>04-01-2016</del><br>COMPLETE |
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**Strategic Priority 3: Community Vision**

**Key Outcome Indicator: Focused Community Vision Target:  
Community Approved Vision In Place by 8/2016**

**Initiative A: Develop a Comprehensive Community Vision Process**

| <b>Actions</b>   | <b>Measure of Success</b>  | <b>Who's Responsible</b> | <b>Target Date</b>                |
|--|--|--------------------------|-----------------------------------|
| Develop a community vision team or committee (Chamber of Commerce/City/Community/Business members/EDA) | Team in Place<br>City Council appoint teams                                  | City Council             | <del>11-30-2015</del><br>COMPLETE |
| Identify our current stakeholders and who may be missing from team                                     | Stakeholders identified  | Community Vision Team    | <del>12-31-2015</del><br>COMPLETE |
| Seek out unidentified, prospective stakeholders—look for buy-in  | Verify stakeholders  | Community Vision Team    | <del>1-30-2016</del><br>COMPLETE  |
| Review current processes in effect to draw and build on the methods.                                   | Analysis of current processes used by the City, if any                       | Community Vision Team    | <del>2-28-2016</del><br>COMPLETE  |
| Compose a list of how we are currently connecting with the community                                   | Analysis of current processes used by the City, if any                       | Community Vision Team    | <del>2-28-2016</del><br>COMPLETE  |
| Seek out other cities with similar characteristics and review what processes they are currently using  | List of other Cities and techniques they use to engage the public identified | Community Vision Team    | <del>2-28-2016</del><br>COMPLETE  |
| Develop a strategy to engage community to gather input   | City Council approve a strategy  | City Council             | <del>3/30/2016</del><br>COMPLETE  |
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**Strategic Priority 3: Community Vision**

**Key Outcome Indicator: Strategic Investments Align With Vision  
Target: 100% of Major Investments Aligned With Vision**

**Initiative B: Analyze Financial Investments and Correlate with Projects**

| Actions   | Measure of Success   | Who's Responsible                          | Target Date                           |
|---|--|--|---------------------------------------|
| Analyze and compare our current spending to ensure it aligns with information/results from Community Vision Process | The City Council understands how the current budget correlates to the community vision | Community Vision Team/Finance/City Council | 8-30-2016<br>INITIATIVE<br>ELIMINATED |
| Increase and direct our spending efficacy by analyzing expenditures for new, upkeep/repairs and new/growth          | The City Council has realigned its 2017-2018 budget to match up with current vision    | Finance/City Council                       | 8-30-2016<br>INITIATIVE<br>ELIMINATED |
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**Strategic Priority 4: Effective Governance**

**Key Outcome Indicator: Decisions Meeting Deadlines; Target: 90% of Decisions Made by Identified Deadline**

**Initiative A: Develop a City Council Decision Review Process**

| <b>Actions</b>                                       | <b>Measure of Success</b>   | <b>Who's Responsible</b>            | <b>Target Date</b>                |
|--|---|-------------------------------------|-----------------------------------|
| Review I-Pad/Electronic Communications Policy        | The City Council reach consensus on the policy and the best way for electronic communications to be managed.            | Brian/City Council                  | <del>8-30-2015</del><br>COMPLETE  |
| Review Standing Rules of City Council                | The City Council reach consensus on the standing rules of the City Council.   | Brian/City Council                  | <del>9-30-2015</del><br>COMPLETE  |
| Review Staff Reports as to Effectiveness of Contents | The City Council reach consensus on the both the use and contents of staff reports.                                     | Brian/Department Heads/City Council | <del>10-31-2015</del><br>COMPLETE |
| Discuss Options Related to Meetings (Schedule)       | The City Council reach consensus on the frequency and type of Council meetings to be held each month beginning in 2016. | Brian/City Council                  | <del>11-30-2015</del><br>COMPLETE |
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**Strategic Priority 4: Effective Governance**

**Key Outcome Indicator: The City Council Reaches Consensus, That a Majority of the Council are Complying With the Values Statement**

**Initiative B: Create a Process for Achieving 100% Participation of all Councilors**

| <b>Actions</b>  | <b>Measure of Success</b>          | <b>Who's Responsible</b> | <b>Target Date</b>     |
|---|------------------------------------|--------------------------|------------------------|
| The City Council will develop a values statement related to their personal accountability as a Council representative | A value statement has been adopted | City Council             | 12/31/2015<br>COMPLETE |
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**Strategic Priority 4: Effective Governance**

**Key Outcome Indicator: Local Option Sales Tax Usage; Target: Priorities Completed by September 1, 2015**

**Initiative C: Prioritize Use of Local Option Sales Tax Funds**

| Actions   | Measure of Success   | Who's Responsible                                   | Target Date                     |
|---|--|---|---------------------------------|
| Review Enabling Legislation with the City Council | The City Council establishes a baseline understanding of the legislation.  | Brian/City Council                                  | <del>9-30-15</del><br>COMPLETE  |
| Review Qualifying Projects                        | The City Council establishes a baseline understanding of the projects that qualify for the receipt of sales tax monies.                          | Brian/City Council                                  | <del>9-30-15</del><br>COMPLETE  |
| Identify Priority Projects                        | All critical 2016 projects to receive sales tax monies are identified and other future major priority projects identified for planning purposes. | Brian/City Council<br>Jim P/ Caleb P<br>Holly/Nancy | <del>12-30-15</del><br>COMPLETE |
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| <b>Strategic Priority 4: Effective Governance</b>  |   | <b>Key Outcome Indicator: Collaboration With Neighboring Communities and Local Governments; Target: Major Analysis with Scanlon completed by July 15, 2015 and BLASD JPA Resolves July 1, 2015</b> |  |
|--|---|--|--|
| <b>Initiative D: Develop Collaborative Approaches with Neighboring Communities/Local Governments</b> |   |  |  |
| <b>Actions</b>   | <b>Measure of Success</b>   | <b>Who's Responsible</b>   | <b>Target Date</b>                                       |
| The City Council Create an Internal Ad Hoc Merger Committee  | The committee membership is identified by the Council.  | City Council   | <del>5-01-2015</del><br>COMPLETE                         |
| Obtain Proposal for Preliminary Merger Consultation Services   | The City has obtained at least one proposal for this service from a qualified firm.   | Brian  | <del>6-05-2015</del><br>COMPLETE                         |
| Present Merger Consultation Proposal to the Scanlon City Council                                     | The Scanlon Council has received and taken action on the proposal.  | Scanlon Mayor Johnson  | <del>7-01-2015</del><br>COMPLETE                         |
| Present Merger Consultation Proposal to the Cloquet City Council                                     | The Cloquet Council has received and taken action on the proposal.  | Brian/City Council   | <del>7-01-2015</del><br>COMPLETE                         |
| Complete the Preliminary Merger Analysis   | The consultant has completed an analysis of the critical issues related to the merger and presented such findings to the City Council | Consultant/Brian/<br>City Council/Al C<br>Department Heads   | <del>9-01-2015</del><br><del>4-01-2016</del><br>COMPLETE |
| Meet with BLASD to Identify the Final Proposed Project   | The City Council has met with BLASD and agreed to a final project concept.  | Brian/Jim P/<br>City Council   | <del>6-15-2015</del><br>COMPLETE                         |
| Approval of a Joint Powers Agreement Between BLASD and City of Cloquet                               | A JPA has been approved and executed by both organizations.   | Brian/Jim P/<br>City Attorney/<br>City Council   | 12-31-2015   |
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**Strategic Priority 5: Infrastructure & Facilities**

**Key Outcome Indicator: CIP (Streets/ Utilities/ Buildings / Parks; Target: Expanded CIP - To Include Buildings and Parks - Plus Funding Strategies Adopted by 8/30/2015**

**Initiative A: Develop A Comprehensive CIP and Funding Strategy**

| Actions                   | Measure of Success  | Who's Responsible                           | Target Date                      |
|---------------------------|---|---|----------------------------------|
| Prioritize Infrastructure | City staff identifies its priority projects.  | Parks Commission,<br>Jim P/Caleb P<br>Brian | <del>7-10-2015</del><br>COMPLETE |
| Draft to City Council     | The City Council provide response to staff regarding priorities.  | Jim P/Caleb P<br>Brian<br>City Council      | <del>7-21-2015</del><br>COMPLETE |
| Funding Final             | The priority projects are analyzed for funding opportunities and impact on levy and final proposed CIP developed. | Nancy<br>Brian                              | <del>8-07-2015</del><br>COMPLETE |
| Final to City Council     | The City Council approve the final 5 year CIP.  | Brian/Nancy<br>City Council                 | <del>9-30-2015</del><br>COMPLETE |
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**Strategic Priority 5: Infrastructure & Facilities**

**Key Outcome Indicator: Police Facility; Target: Ground Broken 12/31/18**

**Initiative B: Develop Police Facility Project Plan for a 3-5 Year Build**

| <b>Actions</b>  | <b>Measure of Success</b>                                       | <b>Who's Responsible</b>        | <b>Target Date</b>               |
|---|---|---------------------------------|----------------------------------|
| City Council Review/Accept Final BKV Facilities Study | City Council acceptance of study                                | City Council<br>Brian           | <del>8-04-2015</del><br>COMPLETE |
| Decision on Project Timing                            | City Council decision on project priority and timing            | City Council                    | <del>12-31-15</del><br>COMPLETE  |
| Funding Strategy                                      | An acceptable funding strategy is presented to the City Council | Nancy<br>Brian                  | <del>9-2016</del><br>COMPLETE    |
| RFP Architect   | City Council authorize and select architect                     | Brian<br>City Council           | <del>3-2017</del><br>9-2017      |
| Building Design and Layout Committee Established      | Committee established to work with architect on design          | Committee                       | <del>4-2017</del><br>1-2018      |
| Draft Plans Reviewed by City Council                  | Concept plan presented and accepted by the City Council         | Committee/Brian<br>City Council | <del>6-2017</del><br>4-2018      |
| Final Plans Approved and Bid                          | City Council approves plan and authorizes bid                   | City Council<br>Brian           | <del>12-2017</del><br>1-2019     |
| Bid Awarded and Ground Broken                         | Construction Started by <del>12-31-18</del> 2-01-19             | City Council<br>Brian           | <del>12-2018</del><br>2-2019     |
| Project Completed                                     | Project Completed by <del>12-31-19</del> 02-01-20               | City Council<br>Brian           | <del>12-2019</del><br>2-2020     |

**Strategic Priority 5: Infrastructure & Facilities**

**Key Outcome Indicator: Public Works Facility; Target: Phase 1 Completed 12/31/21**

**Initiative C: Develop a Public Works Facility Project Plan for a 3.5 Year Build**

| <b>Actions</b>  | <b>Measure of Success</b>                                       | <b>Who's Responsible</b>        | <b>Target Date</b>                |
|---|---|---------------------------------|-----------------------------------|
| City Council Review/Accept Final BKV Facilities Study | City Council acceptance of study                                | City Council<br>Brian           | <del>8-04-2015</del><br>COMPLETE  |
| Decision on Project Timing                            | City Council decision on project priority and timing            | City Council                    | <del>12-31-2015</del><br>COMPLETE |
| Funding Strategy                                      | An acceptable funding strategy is presented to the City Council | Nancy<br>Brian                  | <del>9-2016</del>                 |
| RFP Architect   | City Council authorize and select architect                     | Brian<br>City Council           | <del>3-2020</del><br>10-2020      |
| Building Design and Layout Committee Established      | Committee established to work with architect on design          | Committee                       | <del>4-2020</del><br>4-2021       |
| Draft Plans Reviewed by City Council                  | Concept plan presented and accepted by the City Council         | Committee/Brian<br>City Council | <del>6-2020</del><br>7-2021       |
| Final Plans Approved and Bid                          | City Council approves plan and authorizes bid                   | City Council<br>Brian           | <del>12-2020</del><br>3-2022      |
| Bid Awarded and Ground Broken                         | Construction started by 12-31-17                                | City Council<br>Brian           | <del>12-2021</del><br>4-2022      |
| Projects Completed                                    | Construction of Phase 1 Completed 12-31-18                      | City Council<br>Brian           | <del>12-2022</del><br>4-2023      |



**Strategic Priority 6: Operational Effectiveness**

**Key Outcome Indicator: Policy and Procedures Manual;  
Target: Policy and Procedure Manuals in All Departments  
Updated and Adopted**

**Initiative A: Create a Policy & Procedure Manual Process for Organization**

| <b>Actions</b>  | <b>Measure of Success</b>  | <b>Who's Responsible</b>                         | <b>Target Date</b> |
|---|--|--|--------------------|
| Research and Update Policies from other Cities, State Standards, etc. | Each department has conducted research of other similar departments to identify those policies/procedures that they use in those departments | Brian/<br>Department Heads/<br>Other Supervisors | 10-31-2016         |
| Identify Policies/Procedures Needed for all City Departments          | The Department Heads have identified a list of mutually required policies/procedures   | Brian/<br>Department Heads/<br>Other Supervisors | 10-31-2016         |
| Identify Policies/Procedures Unique to individual Departments         | Each department has identified those policies and procedures that are unique to their department   | Brian/<br>Department Heads/<br>Other Supervisors | 10-31-2016         |
| Identify a Schedule for Approval and Implementation                   | A realistic schedule for action is identified and agreed upon  | Brian/<br>Department Heads/<br>Other Supervisors | 12-31-2016         |
|   |  |  |                    |
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**Strategic Priority 6: Operational Effectiveness**

**Key Outcome Indicator: Staffing and Resource Levels;  
Target: All Departments Meet Minimum Staff and Resource Needs**

**Initiative B: Conduct a Staffing Analysis of Entire Organization**

| Actions   | Measure of Success   | Who's Responsible                          | Target Date                       |
|---|--|--|-----------------------------------|
| Identify the Options for Conducting a Staffing Analysis for the City                      | The options are presented to the City Council for consideration and identification of the preferred alternative. | Human Resources/<br>City Council           | <del>3-30-2016</del><br>2-01-2017 |
| Research Similar Sized Communities to Benchmark Staffing Levels, Types of Positions, etc. | The analysis is completed and presented to the City Council.   | Brian/<br>Human Resources/<br>City Council | <del>6-30-2016</del><br>6-30-2017 |
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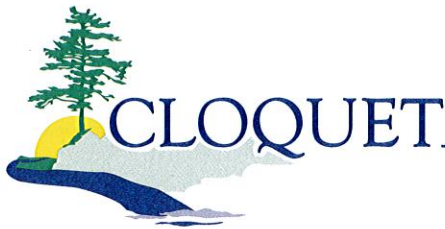


**Strategic Priority 6: Operational Effectiveness**

**Key Outcome Indicator: Internal Succession; Target: 70% of All Leadership Positions Filled Internally**

**Initiative D: Establish a Leadership Development Program**

| Actions   | Measure of Success  | Who's Responsible                    | Target Date                       |
|---|---|--------------------------------------|-----------------------------------|
| Develop a Training Program for City Employees                         | A program that analyzes gaps, identifies talent pools, develops strategies, and implements strategies is identified and adopted | Human Resources/<br>Department Heads | <del>3-31-2016</del><br>3-31-2017 |
| New Hires Should be Interviewed and Reviewed for Potential to Advance | The hiring process has been amended to strengthen focus on leadership and future advancement                                    | Human Resources/<br>Department Heads | <del>6-30-2016</del><br>6-30-2017 |
| Review Job Descriptions to Include Skill Sets Necessary for Promotion | All job descriptions are updated to include a section on leadership and future advancement                                      | Human Resources/<br>Department Heads | <del>6-30-2016</del><br>6-30-2017 |
|   |   |                                      |                                   |
|   |   |                                      |                                   |
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**ADMINISTRATIVE OFFICES**

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

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator  
Date: November 17, 2016



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**ITEM DESCRIPTION:** Future Work Session Agenda Planning

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**Proposed Action**

The City Council is asked to provide input for the upcoming City Council work session meeting agenda.

**Background/Overview**

The City Council typically meets in a work session format prior to each regular City Council meeting to discuss items not otherwise on the regular meeting. To ensure that the City Council is provided opportunity to give input regarding future work session agenda items, staff is suggesting the Council be given an opportunity at each meeting.

Approximately 5 minutes will be set aside at the start of each work session to discuss the next work session meeting. For this purpose, attached the Council will find the tentative agenda and proposed discussion items for the upcoming work session meeting.

**Policy Objectives**

Does the City Council agree with the agendas as proposed?

**Financial/Budget/Grant Considerations**

None

**Advisory Committee/Commission Action**

None

**Supporting Documentation Attached**

- Upcoming agenda item list

**2016 / 2017**  
**Tentative Upcoming Council**  
**Work Session Agenda Items**

**December 6**

ADM..... Christmas Cards  
ADM..... Strategic Plan Update  
ADM..... Special Assessment Policy Interest Rate

**December 20**

ADM.....Joint Parks Commission/Community Education Contract/SEH 30% Design

**January 3**

ADM..... County Commissioner Updates  
PW..... Public Works Department Update

**January 17**

PD..... ATV's on City Streets  
PD..... Police Department/Law Enforcement Study Update



Work Session  
November 15, 2016

 **DRAFT**

**Present:** D. Bjerkness, K. Kolodge, J. Rock, L. Wilkinson, Mayor Hallback

**Absent:** S. Langley, R. Maki

**Staff:** J. Barclay, H. Hansen

**Other:** J. Lund, Pine Journal

**Downtown Revitalization**

- Ms. Hansen gave an overview of the meetings held with the downtown and west end business districts to identify critical issues. EDA has the revitalization as their #1 goal.
- Ms. Hansen highlighted the concerns of the business owners of the historic west end which include high number of blighted, vacant properties, properties not being used to their potential, the City possibly purchasing properties to clean them up, signage, monuments, parking, liquor licensing, festivals. There needs to be a reason to bring people down there.
- Concerns of the downtown business district include pedestrian friendly, nothing of interest between 8<sup>th</sup> Street to 18<sup>th</sup> Street, snow plowing.
- Ms. Hansen asked for Council thoughts and visions. Discussion on the lack of visibility to the west end and what could be done with streetscapes.
- Question if current businesses will take part in the renovations. History shows lack of engagement. Ms. Hansen thinks the businesses will participate.
- Discussion on signage of the new Ave. C café and how to draw people over there. Recommended to place signage above the building to be seen from the bridge.
- The 1998 sketch plan noted the most important issue of the west end is the architect use of the historic buildings. Staff believes the entire west end district is on the historic register. Federal and state historic tax credits are available however, until the revitalization takes place, the credits are not available. Staff will research this issue further to clarify.
- Most of the studies are cautioning redevelopment due to the historical component.
- Mr. Kolodge questioned whether it would be worth the City buying properties to develop/redevelop?
- Mr. Fritsinger stated the Council will be engaging in Broadway Ave conversation and asked how does this conversation affect that future project? Maybe signage is important to the Broadway project as well as lighting, fencing, landscaping. The current Broadway project isn't doing anything to enhance the visibility to the west end. It will draw attention, but not necessarily draw business.
- Discussion on what could be done with the parking lot on the corner by the old Smokies building.
- The next step will be for the community to voice input as part of a community meeting and be held by Community Development.

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

Respectfully Submitted,

Brian Fritsinger  
City Administrator

Regular Meeting

Roll Call

Councilors Present: Bjerkness, Kolodge, Rock, Wilkinson, Mayor Hallback

Councilors Absent: Langley, Maki

Pledge of Allegiance



### AGENDA

**MOTION:** Councilor Kolodge moved and Councilor Wilkinson seconded the motion to approve the November 15, 2016 agenda. The motion carried unanimously (5-0).

### MINUTES

**MOTION:** Councilor Wilkinson moved and Councilor Bjerkness seconded the motion to approve the minutes of the Work Session and Regular Meeting of November 1, 2016 subject to the spelling correction in the Work Session minutes to "pavement management plan". The motion carried unanimously (5-0).

### CONSENT AGENDA

**MOTION:** Councilor Bjerkness moved and Councilor Rock seconded the motion to adopt the consent agenda of November 15, 2016 approving the necessary motions and resolutions. The motion carried unanimously (5-0).

- a. Resolution No. 16-88, Authorizing the Payment of Bills
- b. Lumberjack Lounge Beer and On-Sale Liquor Sales at CARC Amendment
- c. Home for the Holidays Outdoor Fireworks Display Permit

### PUBLIC HEARING

There were none.

### PRESENTATIONS

- a. Mayor's Proclamation, Small Business Saturday

### CERTIFYING 2016 MUNICIPAL GENERAL ELECTION CANVASS

**MOTION:** Councilor Bjerkness moved and Councilor Rock seconded the motion to adopt **RESOLUTION NO. 16-86, A RESOLUTION CERTIFYING 2016 MUNICIPAL GENERAL ELECTION CANVASS**. The motion carried unanimously (5-0).

**WHEREAS**, The City of Cloquet held its General Election on November 8, 2016; and

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

**WHEREAS**, The Council met on November 15, 2016, as a canvassing board to review the results of the election.

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

|                        |       |
|------------------------|-------|
| Total Votes Cast ..... | 6,079 |
| For Councilor Ward 4:  |       |
| Kerry Kolodge .....    | 912   |
| Write In .....         | 10    |

|                              |                     |       |
|------------------------------|---------------------|-------|
| For Councilor Ward 5:        | Steve Langley.....  | 719   |
|                              | Mark Roberts.....   | 467   |
|                              | Write In .....      | 6     |
| For Councilor Ward At Large: | Adam Bailey.....    | 3,184 |
|                              | Lara Wilkinson..... | 2,305 |
|                              | Write In .....      | 18    |

### **CERTIFICATION OF UTILITY BILLS AND MISCELLANEOUS PROPERTY CHARGES**

**MOTION:** Councilor Kolodge moved and Councilor Wilkinson seconded the motion to adopt **RESOLUTION NO. 16-89, ADOPTING AND CONFIRMING SPECIAL ASSESSMENTS FOR DELINQUENT UTILITIES AND MISCELLANEOUS PROPERTY CHARGES.** The motion carried unanimously (5-0).

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

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

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

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

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

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

**BE IT FURTHER RESOLVED,** That the City Administrator be authorized and directed to transmit to the County Auditor a certified duplicate of the assessment roll to be extended upon the property tax lists of the County and the County Auditor shall collect said special assessments with taxes levied in 2016, payable in 2017.

### **LAKE COUNTRY POWER FRANCHISE AGREEMENT**

**MOTION:** Councilor Bjerkness moved and Councilor Kolodge seconded the motion to adopt **ORDINANCE NO. 461A, AN ORDINANCE GRANTING TO LAKE COUNTRY POWER, A NONEXCLUSIVE FRANCHISE TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF CLOQUET, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES, AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS INHABITANTS, AND OTHERS, AND TO USE THE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES; AND PRESCRIBING CERTAIN TERMS AND CONDITIONS THEREOF.** The motion carried unanimously (5-0).

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

#### **SECTION 1. FINDINGS.**

1.1 In Ordinance Number 206A and Section 11.9 of the City Code, the City has required each Utility Service Provider to obtain and maintain a franchise with the City and to provide consideration to the general fund of the City for the rights afforded to it in the franchise.

1.2 In the interest of fairness and comparable treatment, the City finds it necessary and desirable to formalize its rules and regulations and to implement the terms of Ordinance Number 430A with respect to the City of Cloquet, and, to the extent feasible and practicable, to all other Utility Service Providers.

**SECTION 2. DEFINITIONS.** For purposes of this Ordinance, the following capitalized terms listed in alphabetical order shall have the following meanings:



**City.** The City of Cloquet, County of Carlton, State of Minnesota and the corporate limits thereof on the Effective Date and as they may be adjusted from time to time hereafter.

**City Utility System.** Facilities used for providing public utility service owned or operated by the City or agency thereof, including sewer, storm sewer, water service, street lighting and traffic signals.

**Commission.** The Minnesota Public Utilities Commission, or any successor agency or agencies, including an agency of the federal government, which preempts all or part of the authority to regulate electric retail rates now vested in the Minnesota Public Utilities Commission.

**Company.** Lake Country Power, a Minnesota Corporation, its successors and assigns including all successors or assignees that own or operate any part or parts of the Electric Facilities subject to this Franchise.

**Company Service Area.** Those areas within the City to which the Company has been assigned the right to provide electric service, as in effect on the Effective Date or as may be hereafter revised.

**Council.** The City Council of the City of Cloquet as from time to time constituted.

**Effective Date.** The effective date of this Ordinance.

**Electric Facilities.** Electric transmission and distribution substations, towers, poles, lines, guys, anchors, conduits, fixtures, and necessary appurtenances owned or operated by the Company for the purpose of providing electric energy for public or private use.

**Extension Rules.** The rules adopted from time to time by the Company governing its extension of Electrical Facilities.

**Franchise.** The grant of rights made by the City to the Company in this Ordinance, subject to its terms and conditions.

**Notice.** A writing served by any party or parties on any other party or parties at the following addresses:

If to the City:           City of Cloquet  
                                  1307 Cloquet Avenue  
                                  Cloquet, MN 55720  
                                  Attn: City Administrator

If to the Company:       Lake Country Power  
                                  2810 Elida Drive  
                                  Grand Rapids, MN 55744  
                                  Attn: General Manager

Any party may change its respective address for the purpose of this Ordinance by written notice to the other parties.

**Person.** A natural person or any partnership, joint venture, corporation, cooperative, limited liability company or any public corporation, political subdivision or agency of the State or any other legal entity that may be created by law.

**Public Ground.** All real property owned by or dedicated to the City with respect to which the City holds the legal right or title to grant or withhold easement, leasehold or occupancy rights or servitudes.

**Public Way.** Any street, alley and other public rights-of-way within the City.

**Utility.** Transmitting, furnishing, transporting, distributing, delivering, selling, receiving, importing, manufacturing, or causing to be produced, transmitted, furnished, transported, delivered, sold, received, imported, or manufactured, electric energy, natural gas, mixed gas, heat, light, power, and services provided through a cable communication system.

**Utility Service Provider.** Any Person who performs any one or more of the activities of a Utility to or for the public or to or for any one or more persons within the corporate limits of the City and may, as contemplated herein, be the ultimate user or consumer of the Utility service provided.

### **SECTION 3. THE FRANCHISE.**

3.1. **Grant of Franchise.** The City hereby grants the Company, for a period of twenty (20) years from the date this Ordinance is passed and approved by the City, the right to transmit and furnish electric energy for any public or private use within and through the Company Service Area. For these purposes, the Company may construct, operate, repair and maintain Electric Facilities in, on, over, under and across the Public Ways and Public Grounds within the Company Service Area, subject to the provisions of this Ordinance. The Company may do all reasonable things necessary or customary to accomplish these purposes, subject however, to all applicable design and safety codes, the provisions of this Ordinance, zoning ordinances, other applicable ordinances, permit procedures and the customary and necessary practices of the City.

3.2. **Not Exclusive.** This Franchise is not exclusive.

3.3. **Effective Date.** This Franchise shall be in force and effect from and after the passage of this Ordinance and publication as required by law and upon the Company's duly authorized acceptance below as executed within thirty (30) days after passage and publication of this Ordinance or any amendment thereto.

3.4. **Continuation of Franchise.** If the City and Company are unable to agree on the terms of a new Franchise by the time this Franchise expires, this Franchise will remain in effect until a new Franchise is agreed upon, or until ninety (90) days after the City or the Company serves written notice to the other party of its intention to allow the Franchise to expire subject to the parties agreement on new terms and conditions.

### **SECTION 4. LOCATIONS; CONSTRUCTION; OTHER REGULATIONS.**

4.1. **General.** Electric Facilities shall be located, constructed and maintained by the Company: (i) in as safe and secure a condition or manner as reasonably possible, (ii) so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways, and (iii) so as not to disrupt or interfere with the normal use or operation of any Public Ways, Public Ground or the City Utility System. Electric Facilities to be located on Public Ground must be approved as determined by the City in its sole discretion. The Company's construction, reconstruction, operation, repair, maintenance, location and relocation of Electric Facilities shall be subject to permits if required by separate ordinance and to other reasonable regulations of the City to the extent not inconsistent with the terms of this Ordinance and such other regulations of the City consistent with authority granted the City to manage its Public Ways and Public Grounds under state law, to the extent not inconsistent with a specific term of this Ordinance.

4.2. **Construction; Maintenance; Repairs.** Whenever the Company desires to open or disturb any Public Way or Public Ground for the purpose of constructing, maintaining, or repairing Electric Facilities, it shall give the City reasonable advance Notice, but not less than ten (10) business days, by filing a written Notice with the City Administrator and City Engineer. In any case, the Company shall not commence such work before obtaining any applicable permit for which the City may impose a reasonable fee, or other appropriate written consent from the City. The Company shall not, during the progress of the work, endanger or unnecessarily obstruct the passage of traffic or the normal and customary use of the Public Ways and Public Ground. During the progress of such work, the Company shall keep the affected Public Ways or Public Ground guarded in order to avoid accidents to persons or property. All work performed by the Company shall comply with all applicable federal, state, and local laws, rules, and regulations.

4.3. **Emergencies.** The requirements for obtaining permits from the City pursuant to Section 5.2 shall not apply if (i) an emergency exists requiring the immediate repair of Electric Facilities and (ii) the Company gives telephone notice to the City before, if reasonably possible, commencement of the emergency repair. Within two (2) business days after commencing the repair, the Company shall apply for any required permits and pay any required fees.

4.4. **Restoration.** Following the completion of any work, the Company shall promptly and diligently restore the affected Public Ways and/or Public Ground to as good a condition as before the work commenced. If the Company fails to promptly restore such Public Ways and/or Public Ground within ten (10) days of Notice by the City, the City may engage an independent contractor at the expense of the Company to perform the restoration of the Public Ways and/or Public Ground as required under this Section. The Company shall pay to the City upon demand the cost to the City of affecting such restoration including the City's administrative expenses and overhead.

4.5. **Avoidance of Damage.** The Company must take reasonable measures to prevent the Electric Facilities from causing damage to persons or property. The Company must take reasonable measures to protect the Electric Facilities from damage that could be inflicted on the Electric Facilities by persons, property, or the elements. The Company must take protective measures when the City performs work near the Electric Facilities, if given reasonable Notice by the City of such work prior to its commencement.

4.6. **Field Locations.** The Company shall provide field locations for all its underground Electric Facilities when requested by the City within a reasonable period of time. The period of time will be deemed reasonable if it meets the requirements of the one call excavation notice system as now provided in Minnesota Statutes, chapter 216D (commonly known as of the Effective Date as the "Gopher State One Call" system).

4.7. **Shared Use of Poles; Street Lights.** If the City desires to place facilities on the Company's poles, the City shall enter into a License Agreement for Pole Attachment Rental with the Company containing terms and conditions substantially similar to those contained in other such Agreements that the Company has with other governmental entities.

4.8. **Vegetation Control.** Subject to such procedures, regulation and supervision as the Council may establish, the Company may, at its cost, trim all trees and shrubs in the Public Ways located within the Company Service Area to the extent the Company finds it necessary to avoid interference with the proper construction, operation, repair and maintenance of any of the Company's Electric Facilities installed or maintained hereunder provided that Company shall hold the City harmless from any liability arising therefrom, and subject to permit or other reasonable regulation by the City.

4.9. **Notice of City Improvements.** The City will give the Company reasonable advance Notice of plans for improvements to Public Ways and Public Ground in the Company Service Area where the City has reason to believe that the Company's Electric Facilities may affect or be affected by such improvements. The Notice will contain: (i) the nature and character of the improvements, (ii) the Public Ways and/or Public Ground upon which the improvements are to be made, (iii) the extent of the improvements, (iv) the time when the City will start the work, and (v) if more than one Public Way or parcel of Public Ground is involved, the order in which the work is to proceed.

4.10 **Acquisition.** The City shall have the right to purchase or otherwise acquire the Company's Electric Facilities or the Company Service Area, or portion(s) thereof, at any time by way of eminent domain under Minnesota Statutes, Chapter 117 or under Minnesota Statutes, Chapter 216B, in either case, as such statutes or amendments to such are in effect on the date the City commences such purchase or acquisition. In that event, the pleading commencing the acquisition proceeding by the City shall be noticed to the Company for it to make any adjustments to its long-range planning for facilities and service for the area affected by the proceeding. Any damages to the Company as a result of such proceeding shall be determined as of the commencement of such proceeding. The Company shall continue to operate the Electric Facilities at the City's sufferance only until such acquisition is completed. The expiration or termination of this Franchise as hereinbefore provided shall not, by itself, be an independent basis of any claim by the Company against the City.

## **SECTION 5. ELECTRIC FACILITIES RELOCATION.**

5.1. **Relocation.** In the event the City reasonably determines that it is necessary for the Company to move any part of its Electric Facilities because the City has determined to change, move or improve its Public Ways or that the Electric Facilities have become or will become a substantial impairment to the existing or imminent public use of Public Ground, upon reasonable Notice by the City to the Company, then the Company will move its Electric Facilities at its sole cost. The City shall consider reasonable alternatives in designing its public works projects so as not to arbitrarily cause the Company unreasonable additional expense in exercising its authority under this Section 5.1. This Section 5.1 shall not constitute a taking by the City nor be construed as a waiver or modification of any easement or prescriptive rights acquired by the Company independent of and without reliance by the Company on this Franchise.

5.2. **No Release of Liability.** Nothing contained herein shall relieve any third party from liability arising out of their failure to exercise reasonable care to avoid injuring the Company's Electric Facilities while performing any work connected with grading, regarding or changing the line of any Public Way or with any construction on or adjacent to any Public Way; provided, however, this Section 5.2 shall not limit the City's rights to indemnification under Section 6.1 nor shall the City in any way be liable to the Company for claims arising from the negligence of any third party.



**SECTION 6. INDEMNIFICATION.**

6.1. **Indemnification.** If at any time any claim of any kind is made against the City for injury to persons or property arising from the acts or failure to act by the Company, its agents, servants, or employees in connection with the operations of the Company under and pursuant to this Franchise, the Company shall fully indemnify, defend and hold harmless the City, its agents, servants or employees from any and all such claims, including, but not limited to, reimbursement of any reasonable attorney's fees and costs and expenses the City may incur in handling, denying, or defending such claims. The Company's obligation to indemnify the City shall not extend to any injury to persons or property caused by the negligent act or failure to act by the City or any actions taken by the Company pursuant to directions of the City if performed within the scope of the City's directions without negligence by the Company. The City shall determine who will defend any such claims arising under this Section 6.1 and the Company will thereafter have complete control of such litigation; provided, however, the Company may not settle any such claims without the prior approval of the City, which approval will not be unreasonably withheld. This Section is not, as to third parties, a waiver of any defense or immunity otherwise available to the City; and the Company, in defending any action shall be entitled to assert every defense or immunity that the City could itself assert in its own behalf. The Company's obligations under this Section shall survive the expiration, amendment, or termination of this Ordinance.

6.2. **Insurance.** Before the Effective Date, the Company shall furnish the City a summary of insurance, if any, carried by the Company, or of its self-insured status, in either case demonstrating adequate protection to the City from any and all obligations, liabilities, or claims of any nature whatsoever, growing out of the operation, construction, and maintenance of its Electric Facilities within the City. The Company shall maintain such insurance coverage at all times during this Franchise.

6.3. **Compliance with Laws; Hazardous Substances.** In its operation under this Ordinance, the Company shall observe all federal, state and local laws, rules, regulations and orders with respect to the transmission, distribution, transformation or furnishing of electric energy and the handling of materials, substances and wastes deemed toxic or hazardous to health, natural resources or the environment (collectively, "Hazardous Substances"). The Company shall remove or remediate any Hazardous Substances located on, in or surrounding its Electric Facilities or caused to be located on, in or surrounding the Public Ways and Public Grounds or elsewhere in the City in compliance with all applicable laws, regulations and lawful government orders, and pay or cause to be paid all costs associated therewith. The indemnification terms and conditions of Section 6.1 shall apply to all claims made against the City by any Person, including any governmental agency, who or which asserts any right to costs, damages or other relief based upon the terms and conditions imposed upon the Company under this Section 6.3 or which arise from or are related to the Company's acts or failure to act in compliance with any law, rule, regulation or lawful order governing Hazardous Substances.

**SECTION 7. VACATION OF PUBLIC WAYS.** The City will consult with the Company at least four (4) weeks prior to its action on any proposed vacation of a Public Way. Except where ordered pursuant to Section 5.1, the vacation of any Public Way after the installation of Electric Facilities shall not operate to deprive the Company of its rights to operate and maintain such Electric Facilities until the reasonable cost of relocating the same and the loss and expense resulting from such relocation are first paid to the Company. However, in no case shall the City be liable to the Company for failure to specifically preserve a Public Way in the exercise of its authority under Minnesota Statutes, Section 160.29.

**SECTION 8. ABANDONED FACILITIES.** The Company shall comply with City ordinances and Minnesota Statutes, Section 216D.01 et seq., as they may be amended from time to time. The Company shall maintain records describing the exact location of all abandoned and retired Facilities within the City, produce such records at the City's request and comply with the location requirements of Section 216D.04 with respect to all Electric Facilities, including abandoned and retired Electric Facilities.

**SECTION 9. RATES AND SERVICE.** The electric service provided and the rates charged by the Company for electric service, as of the Effective Date, may be subject to the jurisdiction of the Commission as provided in Minnesota Statutes, chapter 216B. In the event the Company shall determine after the Effective Date to change its rates or terms and conditions of electric service, the Company shall provide reasonable advance Notice of such proposed action to the City.

**SECTION 10. FRANCHISE FEE.**

10.1. **Authority.** The City reserves all rights under Minnesota Statutes, Sections 216B.36 and 301B.01 or other law to require a franchise fee at any time during the term of, and in consideration for, this Franchise. The franchise fee may be expressed (i) as a specified charge per measurable unit of electricity being provided, transported, transmitted, sold, furnished, delivered, or received within the City, or (ii) as a percentage of the Gross Revenues received by the Company for its operations within the City, or (iii) a flat fee per customer based on service to retail customers within the City or on some other similar basis, or (iv) in such other manner or fashion as the City may determine. The method of imposing the franchise fee may differ by customer class, by type of Utility, by particular circumstances of a Utility Service Provider, or by other relevant factor, and may combine the methods described in (i) through (iv) above.

10.2. **Payment of Fee.** The franchise fee shall be payable not less often than quarterly and shall be based on the complete billing month for which payment is due. The payment shall be due forty-five (45) days after the end of the month for which the payment is due. Each payment shall be accompanied by a brief report showing the basis for the computation of the payment and such other relevant facts to support the computation as may be requested by the City from time to time. The Company may, in its sole discretion, impose a surcharge equivalent to the franchise fee in its rates for electric service. The Company shall pay the City the franchise fee based upon the prevailing rate and as billed to the customer, but subject to subsequent adjustment in either of the following events: (i) if any amount so billed subsequently becomes uncollectible after reasonable efforts of collection by the Company or (ii) if the Company shall, after any said billings, retroactively reduce its rates or costs to its retail electric customers so that a refund is due from the Company of an amount previously paid or incurred by the retail electric customers.

10.3. **No Waiver or Release.** No acceptance of any payment shall be construed as an accord that the payment made is in fact the correct amount, nor shall such acceptance of the payment be construed as a release of any claim that the City may have for further sums payable under the provisions of this Ordinance. All amounts paid shall be subject to audit and re-computation by the City. The Company agrees to make all records necessary to audit the Company's calculation of any payment available for inspection by the City or its designated representative at reasonable times.

10.4. **Separate Ordinance.** Notwithstanding anything to the contrary, including the provisions of 10.1 herein, the franchise fee may be changed by the City from time to time by separate ordinance; provided, however, such changes shall not occur more often than once in any calendar year and shall be effective upon the earlier of (1) approval by the Commission authorizing the Company to incorporate such fee within its rate schedule, or (2) sixty (60) days after the Company has provided timely notice to the Commission of the ordinance adopting the change. Notice of any proposed change must be given to all electrical service providers and shall be applied equally and shall be given to the Company(s) not later than the effective date of the ordinance adopting the change.

**SECTION 11. DEFAULTS.** If the Company shall be in default in the performance of any of the material terms and conditions of this Ordinance, and shall continue in default for more than thirty (30) days (or fails to initiate the cure of the default within said period and diligently pursue said cure, if the cure of the default cannot reasonably be accomplished within said 30 days) after receiving Notice from the City of such default, the City may elect to cure such default and charge the Company for the costs thereof.

**SECTION 12. AMENDMENT PROCEDURE.** The City reserves the right to amend this Franchise by ordinance. The Company's rights hereunder are subject to the police power of the City to adopt and enforce ordinances necessary to the health, safety, and welfare of the public, and this Franchise may be amended by the City as deemed necessary or appropriate in the exercise of such power.

**SECTION 13. GENERAL PROVISIONS OF ORDINANCE.**

13.1. **Governing Law.** This Franchise is granted and is intended to be performed in the State of Minnesota and shall be construed and enforced in accordance with the laws of the State of Minnesota. The Company shall be subject to personal jurisdiction in the State of Minnesota. All actions related to this Ordinance or its enforcement shall be venued in the District Court of the State of Minnesota within which venue the City is located.

13.2. **Right to Repeal.** If this Franchise, having become final and operative as herein provided, shall be declared in any part illegal or void, then the City, in its sole discretion, may repeal the entire or any portion of this Ordinance. If any material portion of this Ordinance is declared void or illegal, then this Ordinance shall be void in its entirety.

13.3. **Limitation on Applicability.** This Ordinance constitutes a franchise between the City and the Company as the only parties and no provision of this Franchise shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

13.4. **Assignment.** The Company may assign this Franchise without the prior approval of, but upon not less than thirty (30) days' prior Notice to, the City. Such Notice shall include the identity of and contact information for, the assignee and the statement of the assignee's plans and intentions for the operation of the Electric Facilities under this Franchise.

#### **SECTION 14. ACCEPTANCE BY THE COMPANY.**

14.1. **Acceptance by the Company.** The Company shall, within thirty (30) days after passage and publication of this Ordinance or any amendment thereto, file with the City Administrator in writing its acceptance or rejection as provided in Section 14.2. If such acceptance is not filed or if a rejection is filed within said period, the Company, by its continuing operations, shall be deemed to have accepted the terms and conditions of this Franchise or any amendment hereto, except with respect to such particulars as it may successfully challenge under the procedures specified in Section 14.2.

14.2. **Rejection Procedures.** A rejection of this Franchise or any amendment hereto may be made by the Company only upon the grounds that the terms and conditions hereof or of such amendment exceed the lawful authority of the City under the Constitutions or Laws of the United States or the State of Minnesota or are otherwise unlawful. Any rejection shall be submitted in writing to the City, stating with particularity the points and authorities of law upon which the Company relies. If the City fails to amend this Franchise or otherwise satisfy the Company's objections as stated within thirty (30) days of its receipt of the Company's rejection, the Company shall have the right thereafter to seek appropriate judicial or administrative relief based solely upon those provisions it has alleged are unlawful in its rejection notice. If the Company fails to initiate such legal action within thirty (30) days from the expiration of the aforementioned thirty (30) day period provided for the City's amendment or cure, the Company shall be deemed to have waived its objections and to have accepted the terms of this Franchise or any amendment hereto.

**SECTION 15. REPEAL OF CONFLICTING ORDINANCES.** All ordinances or parts of ordinances in conflict herewith are repealed.

**SECTION 16. EFFECTIVE DATE.** This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

#### **SUMMARY OF ORDINANCE 461A**

**MOTION:** Councilor Wilkinson moved and Councilor Rock seconded the motion to adopt **RESOLUTION NO. 16-90, A RESOLUTION AUTHORIZING THE PUBLICATION OF A SUMMARY OF ORDINANCE NO. 461A, AN ORDINANCE GRANTING TO LAKE COUNTRY POWER, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF CLOQUET, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS HABITANTS, AND OTHERS, AND TO USE THE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES; AND PRESCRIBING CERTAIN TERMS AND CONDITIONS THEREOF.** The resolution carried unanimously (5-0).

**WHEREAS,** The City Council of the City of Cloquet has duly adopted Ordinance No. 461A, An ordinance to grant a non-exclusive franchise to Lake Country Power; and construct, operate, repair and maintain in the City of Cloquet, Minnesota, an electric distribution system and transmission lines, including necessary poles, lines, fixtures and appurtenances, for the furnishing of electric energy to the City, its habitants, and others, and to use the public ways and public grounds of the City for such purposes; and prescribing certain terms and conditions thereof.

**WHEREAS,** Minnesota Statutes 412.191 requires that ordinances shall be published at least once in the official newspaper; and

**WHEREAS,** The City Council has determined that the cost of publishing an entire section of the code as proposed to be adopted by the City Council would be extremely expensive given the number of pages to be published; and



**WHEREAS**, Minnesota Statutes 412.191, Subd. 4, authorizes a municipality to publish only the title and a summary of lengthy ordinances or ordinances which contain charts or maps if the City Council determines that such publications would clearly inform the public of the intent and effect of the ordinance; and

**WHEREAS**, It is the intent of the City Council to act in accordance with all local, state, and federal laws, to inform the public of changes in municipal laws, and to remain responsible financially with public funds.

**NOW, THEREFORE, BE IT RESOLVED, THAT THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, Hereby authorizes the publication of a summary of Ordinance No. 461A; and

**BE IT FURTHER RESOLVED**, That a copy of Ordinance No. 461A shall be available for public viewing online at [www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us), at City Hall and at the Cloquet Public Library for a period of not less than thirty (30) days from the date of publication; and

**BE IT FINALLY RESOLVED**, That the summary published in the official newspaper shall be in the following form:

#### SUMMARY DESCRIPTION

##### NOTICE OF SUMMARY PUBLICATION OF ORDINANCES

On November 15, 2016, at its regular meeting, the Cloquet City Council adopted Ordinance No. 461A, a 9 page ordinance which grants to Lake Country Power, a non-exclusive franchise to operate, repair, and maintain an electric distribution system and transmission lines within the City of Cloquet. That a copy of Ordinance No. 461A shall be available for public viewing online at [www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us), at City Hall and at the Cloquet Public Library for a period of not less than thirty (30) days from the date of publication. The full ordinance is available to the public for inspection online at [www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us), or during regular office hours at the Cloquet Public Library or at Cloquet City Hall.

The specific title of the ordinance is “**AN ORDINANCE GRANTING TO LAKE COUNTRY POWER, A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF CLOQUET, MINNESOTA, AN ELECTRIC DISTRIBUTION SYSTEM AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC ENERGY TO THE CITY, ITS HABITANTS, AND OTHERS, AND TO USE THE PUBLIC WAYS AND PUBLIC GROUNDS OF THE CITY FOR SUCH PURPOSES; AND PRESCRIBING CERTAIN TERMS AND CONDITIONS THEREOF**”.

#### FOND DU LAC BUILDING INSPECTION SERVICES

**MOTION:** Councilor Wilkinson moved and Councilor Bjerkness seconded the motion to approve the Memorandum of Agreement for building inspection services between the City of Cloquet and Fond du Lac Reservation. The motion carried unanimously (5-0).

#### JOINT POWERS AGREEMENT WITH THE LAKE SUPERIOR DRUG AND VIOLENT CRIME TASK FORCE

**MOTION:** Councilor Kolodge moved and Councilor Rock seconded the motion to adopt an amended and restated Joint Powers Agreement between the Lake Superior Drug and Violent Crime Task Force and the City of Cloquet. The motion carried unanimously (7-0).

#### SURPLUS TRADING POST LUMBER

**MOTION:** Councilor Rock moved and Councilor Wilkinson seconded the motion to authorize the sale of surplus lumber from the trading post located at Voyageurs Park through the public bid process. The motion carried unanimously (5-0).

#### CONSIDERATION OF ARDC COUNCIL REPRESENTATIVE

**MOTION:** Councilor Bjerkness moved and Councilor Kolodge seconded the motion to discuss and consider the reappointment of Councilor Roger Maki as the City’s representative to the Arrowhead Regional Development Commission for a term expiring 12/31/19. The motion carried unanimously (5-0).

**PUBLIC COMMENTS**

There were none.

**COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES**

Councilor Bjerkness reminded that winter parking regulations are now in place.

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

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Brian Fritsinger, City Administrator



## ADMINISTRATIVE OFFICES

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

### REQUEST FOR COUNCIL ACTION

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator  
Date: November 22, 2016

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**ITEM DESCRIPTION:** Approval of 2017 Business License Renewals

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#### **Proposed Action**

Staff recommends the City Council move to approve the renewal of the various business licenses identified on the attached 2017 license renewal list subject to submittal of all licensing requirements.

#### **Background/Overview**

Attached the City Council will find the list of the various business license renewals received for 2017. These renewals include Pawnbroker and Therapeutic Massage.

Staff has solicited renewals from each of our current license holders. Most have completed the necessary paperwork and submitted the required information. Staff has found everything in order. Those licenses that are ready to be renewed by the Council are indicated on the attached list.

#### **Policy Objectives**

Approval of these various licenses is required under Chapter 6 of the Municipal Code. There is no limit on the number of licenses issued in any one year for any of these licenses.

#### **Financial/Budget/Grant Considerations**

The City's fee schedule varies for each of these licenses as set by the City Council. The applicants have all paid the required fees.

#### **Advisory Committee/Commission Action**

None.

#### **Supporting Documentation Attached**

- Business License Listing



**2017 Business License Renewals  
(December 6, 2016 meeting)**

| <u>License #</u> | <u>Applicant Name</u> | <u>Name of Business</u>        | <u>Business Address</u> | <u>License Period</u> | <u>Type of License</u>  |
|------------------|-----------------------|--------------------------------|-------------------------|-----------------------|-------------------------|
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |
| 1                | Amanda Horvat         | Body Connection Massage Clinic | 707 Highway 33          | 01/01/17 - 12/31/17   | Massage Therapist       |
| 2                | Jill Bartl            | Body Connection Massage Clinic | 707 Highway 33          | 01/01/17 - 12/31/17   | Massage Therapist       |
| 3                | Marcella Bubb         | Body Connection Massage Clinic | 707 Highway 33          | 01/01/17 - 12/31/17   | Message Therapist       |
| 6                | Terry Kirchoff        | In Touch Therapies             | 8 13th Street           | 01/01/17 - 12/31/17   | Massage Therapist       |
| 8                | Rebecca Kobes         | Tranquility Salon and Day Spa  | 1610 Cloquet Ave        | 01/01/17 - 12/31/17   | Massage Therapist       |
| 11               | Sandra McLeod         | Tranquility Salon and Day Spa  | 1610 Cloquet Ave        | 01/01/17 - 12/31/17   | Massage Therapist       |
| 17               | YingLing Liang        | Hong Kong Spa                  | 139 North Road          | 01/01/17 -12/31/17    | Massage Therapist       |
| 26               | Desiree Pederson      | Necessities Salon and Day Spa  | 111 Selmser Ave         | 01/01/17 -12/31/17    | Massage Therapist       |
| 35               | Shuwen Liang          | Hong Kong Spa                  | 139 North Road          | 01/01/17 - 12/31/17   | Massage Therapist       |
| 36               | Karla Southworth      | Inspirations / Cailin Deas     | 1005 Cloquet Ave        | 01/01/17 - 12/31/17   | Massage Therapist       |
| 37               | Sandra Hill           | Leno Chiropractic              | 123 Ave C               | 01/01/17 - 12/31/17   | Massage Therapist       |
| 40               | Li Juan Liu           | Hong Kong Spa                  | 139 North Road          | 1/1/2017 - 12/31/17   | Massage Therapist       |
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |
| 1                | Jill Bartl            | Body Connection Massage Clinic | 707 Highway 33          | 01/01/17 - 12/31/17   | Massage Business        |
| 2                | Rebecca Kobes         | Tranquility Salon and Day Spa  | 1610 Cloquet Ave        | 01/01/17 - 12/31/17   | Massage Business        |
| 9                | Don Christensen       | The Organic Carrot             | 502 Carlton Ave         | 01/01/17 - 12/31/17   | Massage Business        |
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |
| 2                | Thomas Anderson       | TJ's Gun-N-Pawn                | 1007 Cloquet Ave        | 01/01/17 - 12/31/17   | Pawnbroker              |
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |
| 2                | Raymond Crestik       | Cloquet Sanitary               | 1101 Industry Ave       | 01/01/17 - 12/31/17   | Solid Waste & Recycling |
| 6                | Gerald Hanson         | North State Service            | 7018 Maple Grove Rd     | 01/01/17 - 12/31/17   | Solid Waste & Recycling |
| 7                | Steven Amatuzio       | A1 Disposal                    | 7642 Hwy 2              | 01/01/17 - 12/31/17   | Solid Waste & Recycling |
|                  |                       |                                |                         |                       |                         |
|                  |                       |                                |                         |                       |                         |




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**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator   
Date: November 28, 2016

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**ITEM DESCRIPTION:** Approval of Raffle Permit

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**Proposed Action**

Staff recommends that the City Council move to adopt **RESOLUTION NO. 16-93, A RESOLUTION APPROVING EXEMPT PERMIT TO CONDUCT A RAFFLE EVENT AT KNIGHTS OF COLUMBUS.**

**Background/Overview**

The City has received an application from Knights of Columbus Council 5132 for a raffle event to be held on April 23, 2017 at Knights of Columbus Hall, 208 Avenue C.

**Policy Objectives**

Approval of application by local community is required under MN Statutes.

**Financial/Budget/Grant Considerations**

There is no cost to the City regarding the approval of the application nor does the City retain any fees for its consideration.

**Advisory Committee/Commission Action**

None.

**Supporting Documentation Attached**

- Resolution 16-93
- LG220 Application for Exempt Permit

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

**RESOLUTION NO. 16-93**

**A RESOLUTION APPROVING EXEMPT PERMIT  
TO CONDUCT A RAFFLE EVENT  
AT KNIGHTS OF COLUMBUS COUNCIL 5132**

**WHEREAS**, The City of Cloquet received an application from Knights of Columbus Council 5132, 208 Avenue C, for an Exempt Permit to conduct a raffle event on April 23, 2017 at Knights of Columbus Hall, 208 Avenue C.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, That the City Council has reviewed the application of Knights of Columbus Council 5132 for an Exempt Permit to conduct a raffle event on April 23, 2017 at Knights of Columbus Hall, 208 Avenue C, and has no objection to the Minnesota Gambling Control Board's issuance of such permit.

**BE IT FURTHER RESOLVED**, That the Cloquet City Council hereby waives the normally required thirty day waiting period for the issuance of said permit.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 6TH DAY OF DECEMBER, 2016.**

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

ATTEST:

\_\_\_\_\_  
Brian Fritsinger, City Administrator



**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

**Application Fee (non-refundable)**

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

**ORGANIZATION INFORMATION**

Organization Name: Knights of Columbus Council 5132

Previous Gambling Permit Number: X-04207

Minnesota Tax ID Number, if any: \_\_\_\_\_

Federal Employer ID Number (FEIN), if any: 300591121

Mailing Address: 208 Avenue C

City: Cloquet State: MN Zip: 55720 County: Carlton

Name of Chief Executive Officer (CEO): Dan Wappes

Daytime Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

Fraternal  Religious  Veterans  Other Nonprofit Organization

**Attach a copy of one of the following showing proof of nonprofit status:**

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

**A current calendar year Certificate of Good Standing**

Don't have a copy? Obtain this certificate from:

MN Secretary of State, Business Services Division  
60 Empire Drive, Suite 100  
St. Paul, MN 55103

Secretary of State website, phone numbers:  
[www.sos.state.mn.us](http://www.sos.state.mn.us)  
651-296-2803, or toll free 1-877-551-6767

**IRS income tax exemption (501(c)) letter in your organization's name**

Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

**IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**

If your organization falls under a parent organization, attach copies of both of the following:

1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Knights of Columbus Hall

Address (do not use P.O. box): 208 Avenue C

City or Township: Cloquet Zip: 55720 County: Carlton

Date(s) of activity (for raffles, indicate the date of the drawing): April 23, 2017

Check each type of gambling activity that your organization will conduct:

Bingo  Paddlewheels  Pull-Tabs  Tipboards

Raffle (total value of raffle prizes awarded for the calendar year: \$ 5,000.00)

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under **List of Licensees**, or call 651-539-1900.



**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)**

|  |   |
|--|---|
| <p style="text-align: center;"><b>CITY APPROVAL<br/>for a gambling premises<br/>located within city limits</b></p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print City Name: _____</p> <p>Signature of City Personnel: _____</p> <p>Title: _____ Date: _____</p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 20px;"> <p><b>The city or county must sign before submitting application to the Gambling Control Board.</b></p> </div> | <p style="text-align: center;"><b>COUNTY APPROVAL<br/>for a gambling premises<br/>located in a township</b></p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>Title: _____ Date: _____</p> <p><b>TOWNSHIP (if required by the county)</b><br/>On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>Title: _____ Date: _____</p> |
|--|---|

**CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)**

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: *Daniel A. Wappes* Date: 11-21-16  
(Signature must be CEO's signature, designee may not sign)

Print Name: Daniel A. Wappes

|                     |   |
|---------------------|---|
| <b>REQUIREMENTS</b> | <b>MAIL APPLICATION AND ATTACHMENTS</b> |
|---------------------|---|

**Complete a separate application for:**

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Financial report to be completed within 30 days after the gambling activity is done:**  
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

**Mail application with:**

a copy of your proof of nonprofit status, and

application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

**To:** Minnesota Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Questions?**  
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

|   |  |  |
|---|--|--|
| <p>Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the</p> | <p>application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Depart-</p> | <p>ment of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management &amp; Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.</p> |
|---|--|--|

This form will be made available in alternative format (i.e. large print, braille) upon request.




**ADMINISTRATIVE OFFICES**

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

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator   
Date: November 22, 2016

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**ITEM DESCRIPTION:** Northeastern Saloon & Grille Optional Liquor 2 A.M. License Renewal

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**Proposed Action**

Staff recommends that the City Council move to approve the renewal of the Optional 2 A.M. Liquor License for the Northeastern Saloon & Grille, 115 St. Louis Avenue.

**Background/Overview**

The City currently has four establishments licensed under the Optional 2 A.M. Liquor License. The license is actually issued by the State, but the City must approve the license. Northeastern Saloon & Grille has held an Optional 2 A.M. license since the State granted this authority several years ago.

There have been no public safety issues at the Northeastern Saloon & Grille associated with the 2 A.M. license that staff is aware.

**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 A.M. Application





Renewal Application for Optional Liquor 2AM License

License Type: 2AM-100K

Expires On: December 5, 2016

ID Number: 13163

DBA

Northeastern Saloon & Grille Inc.  
Northeastern Saloon & Grille  
115 St. Louis Ave  
Cloquet MN 55720

Business Phone: 2188799968

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: AGED, 445 Minnesota St., Suite 222, St. Paul, MN 55101-5133.

- \$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)

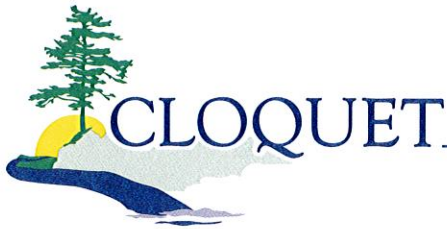
Licensee Signature Bert Whittier Date 1 NOVEMBER 2016

(I certify that I have answered the above questions truthfully and correctly)

Licensee Minnesota Tax ID Number (Required): 4936609

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

Minnesota Department of Public Safety  
Alcohol and Gambling Enforcement Division (AGED)  
445 Minnesota Street, Suite 222, St. Paul, MN 55101-5133  
Telephone 651-201-7500 Fax 651-297-5259 TTY 651-282-6555  
dps.mn.gov



**ADMINISTRATIVE OFFICES**

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www.ci.cloquet.mn.us

**REQUEST FOR COUNCIL ACTION**

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To: Mayor and City Council  
From: Brian Fritsinger, City Administrator  
Date: November 17, 2016

A handwritten signature in blue ink, appearing to be "BF", enclosed within a blue circular scribble.

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**ITEM DESCRIPTION:** Approval of New Therapeutic Massage Therapist License

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**Proposed Action**

Staff recommends the City Council move to approve the Therapeutic Massage Therapist license for Lisa Langness to operate at Tranquility Day Spa and Salon, 1610 Cloquet Avenue.

**Background/Overview**

The City has received an application from Lisa Langness, 2686 Co. Road 5, Carlton, MN 55718, for a new Therapeutic Massage Therapist license. Ms. Langness will be operating at Tranquility Day Spa and Salon.

**Policy Objectives**

Approval of a Therapeutic Massage Therapist license is required under Section 6.9 of the Municipal Code. There is no limit on the number of licenses issued in any one year.

**Financial/Budget/Grant Considerations**

The City's fee schedule requires a \$50 fee for the therapist license. The applicant has paid all fees.

**Advisory Committee/Commission Action**

None.

**Supporting Documentation Attached**

- Application



### APPLICATION FOR THERAPEUTIC MASSAGE THERAPIST LICENSE

*This application, all required documentation and fees must be submitted by any person desiring to obtain a license to practice therapeutic massage within the City of Cloquet, MN.*

| APPLICANT INFORMATION   |                            |                         |
|---|----------------------------|-------------------------|
| Name: First<br><b>KAREN</b>   | Full Middle<br><b>LISA</b> | Last<br><b>Lungness</b> |
| Current Address: Street / City / State / Zip Code<br><b>2686 Co rd S Carlton Mn 55718</b> |                            |                         |
| E-mail address: (if applicable)   |                            |                         |
| Home Phone:<br><b>Q</b>   | Cell Phone:<br><b>75</b>   | Work Phone:             |
| Date of Birth:  | Social Security Number:    |                         |

| BUSINESS INFORMATION  |  |                                    |
|---|--|------------------------------------|
| Business where Massage Therapy Services will be conducted: <input checked="" type="checkbox"/> Business <input type="checkbox"/> *Residence   |  |                                    |
| <small>A Therapeutic Massage Therapist license will only be issued to a person at a residence which is properly zoned and/or meets the zoning requirements for such location as may be required by the city. For zoning verification, contact the Cloquet Zoning Department at (218) 879-2507 prior to submitting your application.</small> |  |                                    |
| Business Name:<br><b>Tranquility Day Spa &amp; Salon</b>  | Manager of Business:<br><b>Rebecca Kobes</b> |                                    |
| Business Street Address:<br><b>1610 Cloquet Ave Cloquet, Mn 55720</b>   |  |                                    |
| Phone Number:<br><b>218-878-2040</b>  | Alternate Number:<br><b>218-591-9778</b>     |                                    |
| Owner of Business:<br><b>Rebecca Kobes</b>  |  |                                    |
| Owner's Residence Address: Street / City / State / Zip Code<br><b>331 2nd St. Cloquet Mn 55720</b>  |  |                                    |
| Home Phone:   | Cell Phone:<br><b>218-591-9778</b>           | Work Phone:<br><b>218-878-2040</b> |
| E-mail address: (if applicable)   |  |                                    |
| Property Parcel ID Number:  | Property Complete Legal Description:         |                                    |

| FINANCIAL INFORMATION  |   |
|--|---|
| Real Estate Taxes on property to be licensed are:  | <input type="checkbox"/> Paid current <input type="checkbox"/> Delinquent |
| Are there any financial claims to the City of Cloquet owed by the applicant /property owner? | <input type="checkbox"/> Yes <input type="checkbox"/> No                  |



|  |         |                                       |
|--|---------|---------------------------------------|
| If there are current financial claims owed to the City of Cloquet, please state the amount(s) and type of claim: |         |                                       |
| Responsible Party:   | Amount: | Type of claim (i.e., utilities, etc.) |
| Responsible Party:   | Amount: | Type of claim (i.e., utilities, etc.) |

**ADDITIONAL INFORMATION**  
(attach additional sheets as necessary)

Have you ever applied for or held a license to conduct a similar activity in any other City or State?  Yes  No

If yes, please provide details; description, date and location:  
1407 Cloquet Ave - Cloquet (Tranquility Salon Spa) Approx years of 2008-2012

Have you ever been denied a license to conduct a similar or like activity or had such licenses suspended, revoked or canceled in any City/State, including Cloquet?  Yes  No

If yes, please provide details; description, date and location:  
N/A

List all names, nicknames and aliases by which you have been known:  
KAREN LANGNESS, "Helga", on-site massage

List addresses at which you have lived during the preceding five years. Begin with present or last address and work back. Attach additional sheets if necessary.

Street / City / State / Zip Code  
Carlton, MN 55708

Dates at Address:  
June 2005 - present

Street / City / State / Zip Code  
N/A

Dates at Address:  
N/A

Name, location and type of every business or occupation you have been engaged in during the preceding five years. Begin with present or last occupation and work back. Attach additional sheets if necessary.

Business or Occupation:  
Noahview Bank - Customer Service Rep.

City / State / Zip Code  
~~Barnum~~ Barnum, mn 55707

Dates at Address:  
04-2012 / Oct 2016

Business or Occupation:  
KAREN LANGNESS - massage - Self employed

City / State / Zip Code  
2606 Gonda S Carlton Ma 55708

Dates at Address:  
June 2005 - present

Business or Occupation:  
Tranquility Salon + Day Spa

City / State / Zip Code  
Cloquet MN 55720

Dates at Address:  
Approx 2005-2011

Please provide the names and addresses of your employers and partners, if any, for the preceding five years. Begin with present or last occupation and work back. Attach additional sheets if necessary.

Employer or Partner:

Northview Bank

Street / City / State / Zip Code

3697 Co Rd 140 Barnum, MN 55707

Dates:

4/12 - 10/16

Employer or Partner:

Wyndtree Restaurants

Street / City / State / Zip Code

3691 Main St. Barnum, MN 55707

Dates:

8/08 - 4/12

Have you ever been convicted of any felony, crime or violation of any ordinance, other than traffic?  Yes  No

If yes, give information as to the date, place, and offense for each conviction. Also, specifically state if any such conviction was a felony offense or involved any allegations of physical assault or sexual misconduct.

List the names, residences, and business addresses of three residents of Carlton County, of good moral character, not related to the applicant or financially interested in the premises or business, who may be referred to as to the applicant's character.

Name:

Renee O'Ser - Director/owner Little's Child Care Center

Residence Address:

4134 Little Rd. Barnum, MN 55707

Business Address:

3690 Co Rd 140 Barnum, MN 55707

Phone Number:

218-389-9807 (w)

Name:

Sonia Moder - retired State worker

Residence Address:

3748 Carlton St. Barnum, MN 55707

Business Address:

N/A

Phone Number:

Name:

Danae Lambert - Enbridge -

Residence Address:

3093 Co Rd 139 Barnum, MN 55707

Business Address:

N/A

Phone Number:




# CLOQUET

## ADMINISTRATIVE OFFICES

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Phone: 218-879-3347 • Fax: 218-879-6555  
email: admin@ci.cloquet.mn.us  
www.ci.cloquet.mn.us

### REQUEST FOR COUNCIL ACTION

---

To: Mayor and City Council  
From: Brian Fritsinger, City Administrator   
Date: November 29, 2016

---

**ITEM DESCRIPTION:** 2017 Final Budget, Capital Improvement Plan, and Property Tax Levy

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#### Proposed Action

Staff recommends the City Council make three (3) separate motions related to the budget and levy:

1. First, staff recommends that the City Council move to adopt the five (5) year Capital Improvement Plan for 2017-2021; and
2. Second, staff recommends that the City Council move to adopt **RESOLUTION NO. 16-84, ADOPTING THE 2017 BUDGET**; and
3. Third, staff recommends that the City Council move to adopt **RESOLUTION NO. 16-85, ADOPTING SUMS OF MONEY TO BE LEVIED FOR LEVY YEAR 2016, PAYABLE IN 2017.**

#### Background/Overview

Attached the City Council will find summary information related to the 2017 Operating Budget. The City Council should recall that the City utilizes a four (4) year Operating Budget to help it monitor the long term impact of any service level decisions. Between the draft of this budget being available for the past three (3) years and discussions taking place regularly at Work Session meetings, the preliminary budget presented should not contain any surprises. It contains those items discussed during this time period.

Since the adoption of the preliminary budget in September, most changes are minor corrections and simple adjustments. However, there are a couple of changes to the budget worth noting. There is no proposed change to the operating levy. The changes to the budget include:

- Lexipol Policy Fee in Police Department - \$7,000
- Hilltop Park sidewalk project - \$15,000
- Additional security doors at City Hall - \$1,300
- Laserfiche Public Module - \$20,000
- Laserfiche Annual Fees - \$2,500
- Highway 33 Mowing - \$20,000
- County Law Enforcement CAD System Upgrade - \$46,500

The Council recently discussed increased mowing along Highway 33. Staff has investigated its options and has not yet determined the best and final solution. A budgeted number of \$20,000 has been added assuming the City will contract out for the service rather than purchase new equipment. However, a formal RFP will be issued in 2017 and a final recommendation for a solution made at that time. This may result in a budgetary impact different than the \$20,000.



The preliminary budget does also include the goals and strategies identified by the City Council as part of its 2015 City Council retreat. In general, the City is proposing total expenditures of \$21,898,770 and revenues of \$24,985,500. This is an increase of 21.72% in expenditures. The General Fund, which is responsible for the vast majority of City Services, is projected at expenditures of \$5,466,350 and revenues of \$5,380,750. This represents a 3.18% decrease in expenditures. The proposed property tax levy increase is 5.69%.

### **Key Changes from 2016 proposed for 2017**

There are a number of key changes that will either impact the 2017 budget or are proposed to impact the budget. The City Council has discussed these items over its past two meetings, and the highlighted general budget impacts include:

- Healthcare – The City’s renewal rate for 2017 is 27.4%. The preliminary budget did factor in the full amount of the increase, but with the employee’s individual option to opt out of the City’s plan, the budget has reflected as a whole only about 50% of the insurance increase in 2017. The City has pulled together its health insurance committee to look at other health plan options which may also further reduce the impact of the proposed premium increase.
- Local Government Aid – The City has previously directed staff to continue to wean the City of its reliance on LGA. This was due to the continual reduction or unallotment of LGA by the State each year. LGA in 2017 is only proposed to increase minimally.
- Levy Limits – There are no levy limits applicable for the 2017 year.
- Local Option Sales Tax – The City continues to receive its monthly allotment on the tax from the State. Revenues continue to be strong. The City has identified and incorporated a variety of projects financed through the use of sales tax proceeds.
- Wages and Benefits – Revised salaries per recent union contract settlements. This includes an increase by 1.5% for AFSCME and 2.0% for the Teamsters along with any step increases identified under the City’s pay plan. As previously noted, health insurance premiums will be increasing by 27.4%.
- Personnel – Per the goals identified by the City Council, there are several new positions proposed for 2017. They include the change from a part-time to full-time position at the library, one (1) additional summer seasonal employee in the Parks Department, and the addition of a School Liaison Officer position in the Police Department. The 2017 budget will continue funding an Events Coordinator at the cost of \$8,000. Summer Seasonal wages have also been increased as a result of recent challenges recruiting individuals to work at minimum wage.
- Capital Plan (Funds) – The 2017 CIP has been adjusted to fully incorporate those project identified for funding with Local Option Sales Tax monies. The levy for the Public Works Reserve Fund, used to finance equipment purchases, is proposed to be reduced by \$75,000 and reduced the Permanent Improvement Fund levy by \$10,000, which issued to finance public improvements.

Other major line item changes proposed in the 2017 preliminary budget include the following by department:

- Mayor/City Council (101) - These two departments have been combined into one department. The budget includes \$10,000 for the every other year strategic planning retreat. Community cleanup day has been eliminated from the budget.
- Elections (101) - There are no elections in 2017 so the \$18,500 cost has been removed from the budget.

- Administration (101) - The department has been split in two to separate out Administration from Human Resources. The joint community sign project (\$35,000) with the National Guard has not gained any traction in 2016 and has been pushed to the 2017 budget in the case that it is not completed this year. \$25,000 has been added to accommodate and upgrade to the City's website in 2017. The vacant part-time clerk position previously included in the Finance department has been shifted to Administration.
- Human Resources (101) - No real critical changes other than to identify a variety of employee leadership, policy and safety training.
- Planning & Zoning (101) - Has been renamed Building and Planning Services. No other significant changes proposed for 2017.
- Government Buildings (101) - An increase in general building maintenance has been built into the budget with larger maintenance moved to the Facilities Fund. Staff is still analyzing the BKV report and reviewing with staff as to any other major maintenance that needs to be addressed.
- Prosecution/City Attorney (101) - Budgeted costs continue to creep each year with 2017 budgeted with an increase of \$15,000 to \$110,000 but the potential exists that the actual will still exceed this number. The Council has indicated its support of an RFP in 2017 to evaluate options related to this contracted service.
- Managed Information Technology (101) - This is a new department combining certain costs which were otherwise split amongst all of the other departments. Changes have been made to a remote monitoring system of our IT at a cost of \$35,000 per year. This is partially funded by cost reductions in those department specific funds.
- District Wide WLSSD Allocation (101) - This is another new department to cover that portion of the City's District-wide allocation that is not funded through the sewer fund, but instead through property taxes. This is not a change in how this allocation has been funded. It is simply clarifying it within the operating budget.
- Police (101) - The City has increased its 2017 rates to provide law enforcement services to the City of Scanlon in the amount of \$117,650. Staff is currently negotiating with the Cloquet School District the addition of a School Liaison Officer position for this next year. Historically funded on a 75/25 split and it is proposed as a new position rather than utilization of an existing position. The Council has also asked for increased National Night Out programming so a new line item has been created for that purpose at \$1,000.
- Animal Control (101) - The City continues to contract with Friends of Animals for animal control purposes. Following previous Council direction the budget has been amended to include a small inflationary increase but no other donation or contribution.
- Highways/Streets (101) - No significant changes. A new line item at \$2,500 for Christmas decorations has been added and the downtown flower/planter budget will continue.
- General Fund Revenues (101) - Local development continues to hold flat with little activity. As a result, building permit revenues have been decreased by approximately \$40,000 per year; plan check fees decreased by \$20,000; and other related permits and fees decreased as well.
- Economic Development (207) - Funding to implement the results of the Marketing plan has been budgeted at \$10,000.
- Library (211) - As noted above, a change in staffing has been included. The General Fund will also be transferring \$200,000 to the Library Fund to maintain our Maintenance of Effort levels and appropriate fund balances.
- Public Facilities Planning (224) - \$130,000 expenditure for roof replacement at City Hall; \$6,000 for door replacements and \$2,000 for chimney repairs at Public Works; and \$7,000 for a new air conditioner compressor at the library are planned.
- Permanent Improvement Fund (225) - In addition to the various capital improvements, a pavement management study has been programmed in at a cost of \$50,000.

- Parks (226) - The most significant change to the parks budget is a proposed increase in its share of property tax levy increasing from \$300,000 to \$350,000. This is necessary to help offset the addition of one more summer seasonal employee and certain capital improvements.
- Water (601) - A utility rate study of \$30,000 has been budgeted.

#### **Policy Objectives**

The City was required by Minnesota Statute to adopt its preliminary property tax levy and budget by September 30<sup>th</sup>. The final budget and levy is required to be adopted and certified to the County Auditor no later than December 30<sup>th</sup> by the same Statute.

In adopting the final levy, the levy cannot be increased above the level adopted in September, it can only be decreased. The budget can still adjust upwards or downwards and is not required to be balanced. However, the City has a historic practice of attempting to balance its budget with the exception of the use of reserve monies for one-time expenditures.

#### **Financial/Budget/Grant Considerations**

The City held its property tax levy at 0% from 2012-2014 and increased the levy 2.98% and 2.97% the past two years.

#### **Advisory Committee/Commission Action**

None.

#### **Supporting Documentation Attached**

- Tax Levy Summary
- Summary of 2017-2021 Capital Improvement Plan
- Summary Comparison of Various Funds (Revenues and Expenditures)
- Resolution No. 16-84
- Resolution No. 16-85



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

**RESOLUTION NO. 16-84**

**RESOLUTION ADOPTING THE 2017 BUDGET**

**WHEREAS**, The City Administrator has prepared an annual budget and the City Council has reviewed the 2017 budget; and

**WHEREAS**, Chapter 275, Section 065 of Minnesota Statutes requires that the City adopt a 2017 levy and budget.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, That there be and is hereby to be set aside for the year 2017 for the following departments and funds:

| <u>Fund</u>  | <u>Revenues</u>     | <u>Expenditures</u> |
|--|---------------------|---------------------|
| General  | \$5,380,750         | \$5,466,350         |
| LDO Loan (EDA)                                     | 57,700              | 202,200             |
| Federal CDGB Loan (EDA)                            | 15,000              | 158,500             |
| Economic Development Loan (City)                   | 6,800               | 1,350               |
| State SCDG/MIF (EDA)                               | 3,000               | 2,650               |
| Community Development Operating (City)             | 149,900             | 161,200             |
| Small Cities Development (EDA)                     | 17,000              | -                   |
| Small Cities Development (City)                    | 817,000             | 817,000             |
| Library  | 628,000             | 572,600             |
| Tax Increment – Woodward/Daqota                    | 30,000              | 30,000              |
| Tax Increment – 14 <sup>th</sup> Street Apartments | 25,000              | 25,000              |
| Tax Increment – Oakwood Estates                    | 55,000              | 55,000              |
| Park   | 550,000             | 599,570             |
| Senior Center                                      | 11,400              | 11,400              |
| Landfill Host Fee                                  | 64,000              | -                   |
| Cable Television                                   | 120,450             | 165,950             |
| Business Park Bonds                                | 7,000               | 243,150             |
| Swimming Pond Bonds                                | 115,000             | 107,000             |
| Permanent Improvement                              | 390,000             | 735,500             |
| Facilities Planning                                | 4,000               | 145,000             |
| Public Works Reserve                               | 330,000             | 454,500             |
| City Sales Tax Projects                            | 9,015,000           | 4,613,000           |
| Employee Severance Benefits                        | 45,000              | 50,000              |
| Water – Lake Superior Waterline                    | 4,050,000           | 3,960,850           |
| Water – In-Town System                             | 1,192,500           | 1,338,750           |
| Sewer Utility                                      | 1,574,000           | 1,755,400           |
| Stormwater Utility                                 | 332,000             | 226,850             |
| TOTAL:   | <u>\$24,985,500</u> | <u>\$21,898,770</u> |

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 6<sup>th</sup> DAY OF DECEMBER, 2016.**

ATTEST:

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

\_\_\_\_\_  
Brian Fritsinger, City Administrator

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

**RESOLUTION NO. 16-85**

**RESOLUTION ADOPTING SUMS OF MONEY  
TO BE LEVIED FOR LEVY YEAR 2016, PAYABLE IN 2017**

**BE IT RESOLVED**, By the City Council of the City of Cloquet, Minnesota, that the following sums of money be levied for the levy year 2016, payable in 2017, upon taxable property in the City of Cloquet, for the following purposes:

| <u>Fund</u>                      | <u>Levy</u>                   |
|----------------------------------|-------------------------------|
| General                          | \$1,600,000                   |
| District Wide Allocation - WLSSD | 30,000                        |
| Park                             | 350,000                       |
| Public Works Reserve             | 100,000                       |
| Library                          | 400,000                       |
| Permanent Improvement            | 250,000                       |
| GO Swimming Pond Debt            | 115,000                       |
| Community Development            | <u>125,000</u>                |
| <br>TOTAL LEVY                   | <br><u><u>\$2,970,000</u></u> |

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET  
THIS 6<sup>th</sup> DAY OF DECEMBER, 2016.**

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

ATTEST:

\_\_\_\_\_  
Brian Fritsinger, City Administrator

**City of Cloquet  
Tax Levy Summary  
2013 Actual Through 2020 Proposed**

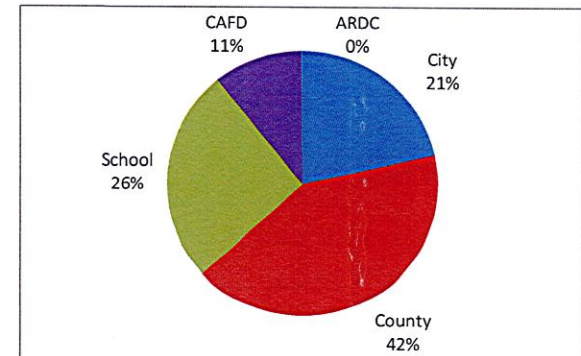
|                                  | <u>2013</u>         | <u>2014</u>         | <u>2015</u>         | <u>2016</u>         | <u>Proposed<br/>2017</u>               | <u>Proposed<br/>2018</u> | <u>Proposed<br/>2019</u> | <u>Proposed<br/>2020</u> |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|--|--------------------------|--------------------------|--------------------------|
| General                          | \$ 1,350,000        | \$ 1,400,000        | \$ 1,420,000        | \$ 1,425,000        | \$ 1,600,000                           | \$ 1,675,000             | \$ 1,775,000             | \$ 1,875,000             |
| District Wide Allocation - WLSSD | -                   | -                   | -                   | -                   | 30,000                                 | 30,000                   | 30,000                   | 30,000                   |
| Community Development            | 100,000             | 99,600              | 99,600              | 104,600             | 124,600                                | 124,600                  | 149,600                  | 149,600                  |
| CD - Tax Abatement Debt          | -                   | 400                 | 400                 | 400                 | 400                                    | 400                      | 400                      | 400                      |
| Library                          | 405,000             | 400,000             | 400,000             | 400,000             | 400,000                                | 400,000                  | 400,000                  | 400,000                  |
| Park                             | 250,000             | 250,000             | 300,000             | 300,000             | 350,000                                | 400,000                  | 400,000                  | 350,000                  |
| GO Business Park Debt            | 125,000             | 125,000             | -                   | -                   | -                                      | -                        | -                        | -                        |
| GO Swimming Pond Debt            | 115,000             | 115,000             | 115,000             | 115,000             | 115,000                                | 105,000                  | 110,000                  | 110,000                  |
| GO Police Facility Debt          | -                   | -                   | -                   | -                   | -                                      | -                        | -                        | 340,000                  |
| Permanent Improvement            | 100,000             | 100,000             | 214,000             | 260,000             | 250,000                                | 250,000                  | 240,000                  | 150,000                  |
| Public Works Reserve             | 175,000             | 130,000             | 150,000             | 175,000             | 100,000                                | 100,000                  | 100,000                  | 75,000                   |
| Sewer Utility*                   | 30,000              | 30,000              | 30,000              | 30,000              | -                                      | -                        | -                        | -                        |
| <b>Tax Levy</b>                  | <b>\$ 2,650,000</b> | <b>\$ 2,650,000</b> | <b>\$ 2,729,000</b> | <b>\$ 2,810,000</b> | <b>\$ 2,970,000</b>                    | <b>\$ 3,085,000</b>      | <b>\$ 3,205,000</b>      | <b>\$ 3,480,000</b>      |
| Levy Change (+/-)                | 0.00%               | 0.00%               | 2.98%               | 2.97%               | 5.69%                                  | 3.87%                    | 3.89%                    | 8.58%                    |
|                                  |                     |                     |                     |                     | Health Insurance<br>& Library Reserves |                          |                          | Police Facility          |

Note: The City had the same levy amount for 2011 through 2014.

\* - District Wide Allocation is not a sewer charge. Moved to General Fund starting in 2017.

| <u>Property Tax Rates</u>           | <u>2013</u>     | <u>2014</u>     | <u>2015</u>     | <u>2016</u>     |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>City of Cloquet</b>              | <b>38.589%</b>  | <b>38.056%</b>  | <b>38.743%</b>  | <b>40.313%</b>  |
| Carlton County                      | 74.087%         | 77.702%         | 79.142%         | 78.416%         |
| Cloquet School District             | 31.055%         | 31.393%         | 32.281%         | 48.792%         |
| Cloquet Area Fire District          | 18.667%         | 18.052%         | 18.193%         | 20.113%         |
| ARDC                                | 0.166%          | 0.175%          | 0.174%          | 0.174%          |
| <b>Total Direct and Overlapping</b> | <b>162.564%</b> | <b>165.378%</b> | <b>168.533%</b> | <b>187.808%</b> |

**2016 Property Taxes**





**City of Cloquet**  
**Summary Comparison of All Funds Expenditures & Financing Uses**  
**2013 Actual Through 2020 Proposed**

| FUND                               |     | 2013              | 2014              | 2015              | 2016              | 2017              | 2018              | 2019              | 2020              | ('16 to '15 BUDGFT) |               |
|------------------------------------|-----|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------|
| Description                        | No  | ACTUAL            | ACTUAL            | ACTUAL            | BUDGET            | PROPOSED          | PROPOSED          | PROPOSED          | PROPOSED          | Dollars             | %             |
| <b>General</b>                     |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| Total General Fund                 | 101 | 4,622,624         | 5,137,061         | 4,925,383         | 5,645,950         | 5,466,350         | 5,606,650         | 5,799,250         | 5,997,400         | (179,600)           | -3.18%        |
| <b>Special Revenue Funds</b>       |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| LDO Loan (EDA)                     | 201 | -                 | -                 | -                 | 2,200             | 202,200           | 2,200             | 2,200             | 2,200             | 200,000             | 9090.91%      |
| Federal CDBG Loan (EDA)            | 202 | 122,288           | -                 | -                 | 3,500             | 158,500           | 3,500             | 3,500             | 3,500             | 155,000             | 4428.57%      |
| Economic Development Loan (City)   | 203 | -                 | -                 | 1,763             | 1,350             | 1,350             | 1,350             | 1,350             | 1,350             | -                   | -             |
| State SCDG/MIF (EDA)               | 204 | 189,255           | -                 | -                 | 2,650             | 2,650             | 2,650             | 2,650             | 2,650             | -                   | -             |
| CDIC Loan (City)                   | 205 | -                 | 94,158            | -                 | -                 | -                 | -                 | -                 | -                 | -                   | -             |
| Revolving SCGP (EDA)               | 206 | 26,782            | 16,803            | 5,000             | -                 | -                 | -                 | -                 | -                 | -                   | -             |
| Community Dev Operating (City)     | 207 | 165,958           | 179,332           | 146,064           | 208,350           | 161,200           | 160,150           | 169,250           | 176,850           | (47,150)            | -22.63%       |
| Small Cities Development           | 208 | -                 | -                 | -                 | 535,000           | 817,000           | 17,000            | 17,000            | 17,000            | 282,000             | 100.00%       |
| Library                            | 211 | 471,022           | 483,426           | 528,367           | 541,600           | 572,600           | 594,150           | 615,100           | 631,300           | 31,000              | 5.72%         |
| Tax Increment - Daqota             | 220 | 14,236            | 26,098            | 27,844            | 30,000            | 30,000            | 30,000            | 30,000            | 30,000            | -                   | -             |
| Tax Increment - 14th St Apartments | 221 | 10,343            | 1,083             | 11,343            | 20,000            | 25,000            | 20,000            | 25,000            | 25,000            | 5,000               | 25.00%        |
| Tax Increment - Oakwood Estates    | 222 | 48,264            | 44,521            | 51,065            | 55,000            | 55,000            | 55,000            | 55,000            | 55,000            | -                   | -             |
| Park                               | 226 | 423,376           | 397,151           | 481,822           | 546,150           | 599,570           | 590,900           | 612,250           | 607,600           | 53,420              | 9.78%         |
| Senior Center                      | 228 | 10,402            | 10,427            | 12,223            | 11,400            | 11,400            | 11,400            | 11,400            | 11,400            | -                   | -             |
| Landfill Host Fee                  | 260 | -                 | -                 | 4,711             | -                 | -                 | -                 | -                 | 5,000             | -                   | -100.00%      |
| Cable Television                   | 614 | 103,601           | 106,955           | 131,500           | 169,225           | 165,950           | 167,500           | 174,200           | 181,500           | (3,275)             | -1.94%        |
| Fire Relief Pension                | 861 | 31,251            | 1,235             | -                 | -                 | -                 | -                 | -                 | -                 | -                   | -             |
| <b>Total Special Revenue</b>       |     | <b>1,616,778</b>  | <b>1,361,189</b>  | <b>1,401,702</b>  | <b>2,126,425</b>  | <b>2,802,420</b>  | <b>1,660,800</b>  | <b>1,718,900</b>  | <b>1,750,350</b>  | <b>675,995</b>      | <b>31.79%</b> |
| <b>Debt Service Funds</b>          |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| Business Park Bonds                | 368 | 244,345           | 262,445           | 245,013           | 246,950           | 243,150           | 243,600           | 238,550           | 237,950           | (3,800)             | -1.54%        |
| Swimming Pond Bonds                | 370 | 108,248           | 107,010           | 110,498           | 108,900           | 107,000           | 98,300            | 99,700            | 103,900           | (1,900)             | -1.74%        |
| City Sales Tax Bonds               | 372 | -                 | -                 | -                 | -                 | -                 | 550,000           | 550,000           | 550,000           | -                   | -             |
| Police Facility Bonds              | 374 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 325,500           | -                   | -             |
| <b>Total Debt Service</b>          |     | <b>352,593</b>    | <b>369,455</b>    | <b>355,511</b>    | <b>355,850</b>    | <b>350,150</b>    | <b>341,900</b>    | <b>338,250</b>    | <b>341,850</b>    | <b>(5,700)</b>      | <b>-1.60%</b> |
| <b>Capital Project Funds</b>       |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| Permanent Improvement              | 225 | 877,471           | 743,027           | 743,132           | 448,500           | 735,500           | 1,345,500         | 722,500           | 1,065,500         | 287,000             | 63.99%        |
| Public Facilities Planning         | 224 | -                 | -                 | -                 | -                 | 145,000           | 20,000            | -                 | 20,000            | 145,000             | -             |
| Public Works Reserve               | 231 | 205,071           | 216,007           | 327,696           | 105,000           | 454,500           | 406,500           | 440,000           | 231,000           | 349,500             | 332.86%       |
| Revolving Capital Projects         | 403 | 775,902           | 1,156,610         | 571,224           | 1,546,000         | -                 | 1,255,000         | 6,800,000         | 850,000           | (1,546,000)         | -100.00%      |
| City Sales Tax Projects            | 405 | -                 | 42,507            | 1,274,489         | 1,327,000         | 4,613,000         | 3,885,000         | 1,350,000         | 200,000           | 3,286,000           | 247.63%       |
| <b>Total Capital Project Funds</b> |     | <b>1,858,444</b>  | <b>2,158,151</b>  | <b>2,916,541</b>  | <b>3,426,500</b>  | <b>5,948,000</b>  | <b>6,912,000</b>  | <b>9,312,500</b>  | <b>2,366,500</b>  | <b>2,521,500</b>    | <b>73.59%</b> |
| <b>Total Governmental Funds</b>    |     | <b>8,450,439</b>  | <b>9,025,856</b>  | <b>9,599,137</b>  | <b>11,554,725</b> | <b>14,566,920</b> | <b>14,521,350</b> | <b>17,168,900</b> | <b>10,456,100</b> | <b>3,012,195</b>    | <b>26.07%</b> |
| <b>Internal Service</b>            |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| Employee Severance Benefits        | 701 | 16,770            | 48,203            | 60,070            | 50,000            | 50,000            | 50,000            | 50,000            | 50,000            | -                   | -             |
| <b>Total Internal Service</b>      |     | <b>16,770</b>     | <b>48,203</b>     | <b>60,070</b>     | <b>50,000</b>     | <b>50,000</b>     | <b>50,000</b>     | <b>50,000</b>     | <b>50,000</b>     | <b>-</b>            | <b>-</b>      |
| <b>Enterprise Funds</b>            |     |                   |                   |                   |                   |                   |                   |                   |                   |                     |               |
| Water - Lake Superior Waterline    | 600 | 2,210,215         | 2,188,462         | 2,251,564         | 2,415,550         | 3,960,850         | 2,589,800         | 4,082,800         | 2,661,550         | 1,545,300           | 63.97%        |
| Water - In Town System             | 601 | 1,109,534         | 1,181,885         | 1,190,776         | 2,090,500         | 1,338,750         | 6,779,500         | 3,943,450         | 1,748,150         | (751,750)           | -35.96%       |
| Sewer Utility                      | 602 | 1,503,323         | 1,576,677         | 1,518,632         | 1,646,000         | 1,755,400         | 1,703,600         | 2,347,200         | 1,662,100         | 109,400             | 6.65%         |
| Stormwater Utility                 | 605 | 137,590           | 175,511           | 205,536           | 235,050           | 226,850           | 766,000           | 246,900           | 382,500           | (8,200)             | -3.49%        |
| <b>Total Enterprise Funds</b>      |     | <b>4,960,662</b>  | <b>5,122,535</b>  | <b>5,166,508</b>  | <b>6,387,100</b>  | <b>7,281,850</b>  | <b>11,838,900</b> | <b>10,620,350</b> | <b>6,454,300</b>  | <b>894,750</b>      | <b>14.01%</b> |
| <b>Total Proprietary Funds</b>     |     | <b>4,977,432</b>  | <b>5,170,738</b>  | <b>5,226,578</b>  | <b>6,437,100</b>  | <b>7,331,850</b>  | <b>11,888,900</b> | <b>10,670,350</b> | <b>6,504,300</b>  | <b>894,750</b>      | <b>13.90%</b> |
| <b>GRAND TOTAL ALL FUNDS</b>       |     | <b>13,427,871</b> | <b>14,196,594</b> | <b>14,825,715</b> | <b>17,991,825</b> | <b>21,898,770</b> | <b>26,410,250</b> | <b>27,839,250</b> | <b>16,960,400</b> | <b>3,906,945</b>    | <b>21.72%</b> |



**City of Cloquet**  
**Summary Comparison of All Funds Revenues & Financing Sources**  
**2013 Actual through 2020 Proposed**

| FUND                               |     | 2013<br>ACTUAL | 2014<br>ACTUAL | 2015<br>ACTUAL | 2016<br>BUDGET | 2017<br>PROPOSED | 2018<br>PROPOSED | 2019<br>PROPOSED | 2020<br>PROPOSED | ('16 to '15 BUDGET) |             |          |
|------------------------------------|-----|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|---------------------|-------------|----------|
| Description                        | No  |                |                |                |                |                  |                  |                  |                  | Dollars             | Percent     |          |
| <b>General</b>                     |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| Total General Fund                 |     | 101            | 4,663,498      | 5,139,636      | 4,975,421      | 5,119,300        | 5,380,750        | 5,609,100        | 5,808,100        | 5,997,600           | 261,450     | 5.11%    |
| <b>Special Revenue Funds</b>       |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| LDO Loan (EDA)                     | 201 | 705,160        | 66,830         | 15,393         | 65,000         | 57,700           | 47,500           | 47,500           | 47,500           | 47,500              | (7,300)     | -11.23%  |
| Federal CDBG Loan (EDA)            | 202 | (2,800)        | 13,300         | 8,500          | 14,000         | 15,000           | 20,000           | 20,000           | 20,000           | 20,000              | 1,000       | 7.14%    |
| Economic Development Loan (City)   | 203 | -              | 97,668         | 4,221          | 11,200         | 6,800            | 6,800            | 6,800            | 6,800            | 6,800               | (4,400)     | -39.29%  |
| State SCDG/MIF (EDA)               | 204 | (600)          | 2,100          | 1,400          | 3,000          | 3,000            | 3,000            | 3,000            | 3,000            | 3,000               | -           | -        |
| CDIC Loan (City)                   | 205 | 2,720          | -              | -              | -              | -                | -                | -                | -                | -                   | -           | -        |
| Revolving SCGP (EDA)               | 206 | 9              | 5,803          | -              | -              | 17,000           | 17,000           | 17,000           | 17,000           | 17,000              | 17,000      | -        |
| Community Dev Operating (City)     | 207 | 114,891        | 109,729        | 105,204        | 182,900        | 149,900          | 149,900          | 179,900          | 179,900          | 179,900             | (33,000)    | -18.04%  |
| Small Cities Development (City)    | 208 | -              | -              | -              | 535,000        | 817,000          | 17,000           | 17,000           | 17,000           | 17,000              | 282,000     | 100.00%  |
| Library                            | 211 | 432,896        | 481,961        | 523,074        | 478,000        | 628,000          | 628,000          | 628,000          | 628,000          | 603,000             | 150,000     | 31.38%   |
| Tax Increment - Daqota             | 220 | 29,801         | 29,804         | 29,802         | 30,000         | 30,000           | 30,000           | 30,000           | 30,000           | 30,000              | -           | -        |
| Tax Increment - 14th St Apartments | 221 | 10,241         | -              | 24,852         | 20,000         | 25,000           | 25,000           | 25,000           | 25,000           | 25,000              | 5,000       | 25.00%   |
| Tax Increment - Oakwood Estates    | 222 | 52,955         | 52,945         | 52,932         | 55,000         | 55,000           | 55,000           | 55,000           | 55,000           | 55,000              | -           | -        |
| Park                               | 226 | 414,052        | 434,039        | 480,207        | 490,400        | 550,000          | 600,100          | 605,200          | 555,300          | 555,300             | 59,600      | 12.15%   |
| Senior Center                      | 228 | 10,185         | 11,740         | 9,600          | 11,300         | 11,400           | 11,500           | 11,500           | 11,500           | 11,500              | 100         | 0.88%    |
| Landfill Host Fee                  | 260 | 90,926         | 106,362        | 3,253          | 92,000         | 64,000           | 64,000           | 65,000           | 65,000           | 65,000              | (28,000)    | -30.43%  |
| Cable Television                   | 614 | 113,764        | 114,375        | 111,386        | 115,450        | 120,450          | 125,450          | 130,450          | 130,450          | 130,450             | 5,000       | 4.33%    |
| Fire Relief Pension                | 861 | -              | -              | -              | -              | -                | -                | -                | -                | -                   | -           | -        |
| <b>Total Special Revenue</b>       |     |                | 1,974,200      | 1,526,656      | 1,369,824      | 2,103,250        | 2,550,250        | 1,800,250        | 1,841,350        | 1,766,450           | 447,000     | 21.25%   |
| <b>Debt Service Funds</b>          |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| Business Park Bonds                | 368 | 534,924        | 408,328        | 29,637         | 36,000         | 7,000            | 7,000            | 7,000            | 7,000            | 7,000               | (29,000)    | -80.56%  |
| Swimming Pond Bonds                | 370 | 114,169        | 115,173        | 115,878        | 115,000        | 115,000          | 105,000          | 110,000          | 110,000          | 110,000             | -           | -        |
| City Sales Tax Bonds               | 372 | -              | -              | -              | -              | -                | 550,000          | 550,000          | 550,000          | 550,000             | -           | -        |
| Police Facility Bonds              | 374 | -              | -              | -              | -              | -                | -                | -                | -                | 340,000             | -           | -        |
| <b>Total Debt Service</b>          |     |                | 649,093        | 523,501        | 145,515        | 151,000          | 122,000          | 662,000          | 667,000          | 1,007,000           | (29,000)    | -19.21%  |
| <b>Capital Project Funds</b>       |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| Permanent Improvement              | 225 | 191,395        | 318,389        | 356,237        | 390,000        | 390,000          | 1,060,000        | 1,712,000        | 300,000          | 300,000             | -           | -        |
| Public Facilities Planning         | 224 | 607,500        | 357,500        | 359,800        | 503,000        | 4,000            | 5,000            | 5,000            | 5,000            | 5,000               | (499,000)   | -99.20%  |
| Public Works Reserve               | 231 | 217,785        | 217,369        | 207,067        | 207,000        | 330,000          | 235,000          | 145,000          | 120,000          | 120,000             | 123,000     | 59.42%   |
| Revolving Capital Projects         | 403 | 775,902        | 1,156,610      | 571,224        | 1,546,000      | -                | 1,255,000        | 6,800,000        | 850,000          | 850,000             | (1,546,000) | -100.00% |
| City Sales Tax Projects            | 405 | 777,828        | 1,024,519      | 787,371        | 1,015,000      | 9,015,000        | 615,000          | 615,000          | 615,000          | 615,000             | 8,000,000   | 788.18%  |
| <b>Total Capital Project Funds</b> |     |                | 2,570,410      | 3,074,387      | 2,281,699      | 3,661,000        | 9,739,000        | 3,170,000        | 9,277,000        | 1,890,000           | 6,078,000   | 166.02%  |
| <b>Total Governmental Funds</b>    |     |                | 9,857,201      | 10,264,180     | 8,772,459      | 11,034,550       | 17,792,000       | 11,241,350       | 17,593,450       | 10,661,050          | 6,757,450   | 61.24%   |
| <b>Internal Service Fund</b>       |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| Employee Severance Benefits        | 701 | 41,850         | 40,477         | 19,671         | 40,000         | 45,000           | 50,000           | 50,000           | 50,000           | 50,000              | 5,000       | 12.50%   |
| <b>Total Internal Service</b>      |     |                | 41,850         | 40,477         | 19,671         | 40,000           | 45,000           | 50,000           | 50,000           | 50,000              | 5,000       | 12.50%   |
| <b>Enterprise Funds</b>            |     |                |                |                |                |                  |                  |                  |                  |                     |             |          |
| Water Lake Superior Waterline      | 600 | 2,291,032      | 2,594,535      | 2,686,705      | 2,843,100      | 4,050,000        | 2,810,000        | 2,810,000        | 2,835,000        | 2,835,000           | 1,206,900   | 42.45%   |
| Water In-Town                      | 601 | 1,433,004      | 1,352,171      | 1,483,466      | 1,208,800      | 1,192,500        | 6,398,500        | 2,898,500        | 1,198,500        | 1,198,500           | (16,300)    | -1.35%   |
| Sewer Utility                      | 602 | 1,414,901      | 1,506,044      | 1,588,256      | 1,489,000      | 1,574,000        | 1,579,000        | 1,579,000        | 1,579,000        | 1,579,000           | 85,000      | 5.71%    |
| Stormwater Utility                 | 605 | 329,631        | 331,586        | 333,344        | 332,000        | 332,000          | 332,000          | 332,000          | 332,000          | 332,000             | -           | -        |
| <b>Total Enterprise Funds</b>      |     |                | 5,468,568      | 5,784,336      | 6,091,771      | 5,872,900        | 7,148,500        | 11,119,500       | 7,619,500        | 5,944,500           | 1,275,600   | 21.72%   |
| <b>Total Proprietary Funds</b>     |     |                | 5,510,418      | 5,824,813      | 6,111,442      | 5,912,900        | 7,193,500        | 11,169,500       | 7,669,500        | 5,994,500           | 1,280,600   | 21.66%   |
| <b>GRAND TOTAL ALL FUNDS</b>       |     |                | 15,367,619     | 16,088,993     | 14,883,901     | 16,947,450       | 24,985,500       | 22,410,850       | 25,262,950       | 16,655,550          | 8,038,050   | 47.43%   |

**City of Cloquet**  
**All Funds Revenues & Expenditures/Expenses Summary**  
**2017 Budget**

**Revenues by Source for 2017**

| FUND                               |     | Property Taxes   | Other Taxes    | Intergovt        | Charges          | All Others*       | Transfers      | Revenues          |
|------------------------------------|-----|------------------|----------------|------------------|------------------|-------------------|----------------|-------------------|
| Description                        | No  |                  |                |                  |                  |                   |                |                   |
| Total General Fund                 | 101 | 1,600,000        | 55,000         | 2,832,000        | 307,150          | 346,600           | 240,000        | 5,380,750         |
| <b>Special Revenue Funds</b>       |     |                  |                |                  |                  |                   |                |                   |
| LDO Loan (EDA)                     | 201 | -                | -              | -                | -                | 57,700            | -              | 57,700            |
| Federal CDBG Loan (EDA)            | 202 | -                | -              | -                | -                | 15,000            | -              | 15,000            |
| Economic Development Loan (City)   | 203 | -                | -              | -                | -                | 6,800             | -              | 6,800             |
| State SCDG/MIF (EDA)               | 204 | -                | -              | -                | -                | 3,000             | -              | 3,000             |
| CDIC Loan (City)                   | 205 | -                | -              | -                | -                | -                 | -              | -                 |
| Revolving SCGP (EDA)               | 206 | -                | -              | -                | -                | -                 | 17,000         | 17,000            |
| Community Dev Operating (City)     | 207 | 125,000          | -              | -                | -                | 24,900            | -              | 149,900           |
| Small Cities Development (City)    | 208 | -                | -              | 800,000          | -                | 17,000            | -              | 817,000           |
| Library                            | 211 | 400,000          | -              | -                | 25,500           | 2,500             | 200,000        | 628,000           |
| Tax Increment - Daqota             | 220 | -                | 30,000         | -                | -                | -                 | -              | 30,000            |
| Tax Increment - 14th Street Apart. | 221 | -                | 25,000         | -                | -                | -                 | -              | 25,000            |
| Tax Increment - Oakwood Estates    | 222 | -                | 55,000         | -                | -                | -                 | -              | 55,000            |
| Park                               | 226 | 350,000          | -              | -                | 101,500          | 98,500            | -              | 550,000           |
| Senior Center                      | 228 | -                | -              | -                | -                | 11,400            | -              | 11,400            |
| Landfill Host Fee                  | 260 | -                | -              | -                | -                | 64,000            | -              | 64,000            |
| Cable Television                   | 614 | -                | 120,000        | -                | -                | 450               | -              | 120,450           |
| Fire Relief Pension                | 861 | -                | -              | -                | -                | -                 | -              | -                 |
| <b>Total Special Revenue</b>       |     | <b>875,000</b>   | <b>230,000</b> | <b>800,000</b>   | <b>127,000</b>   | <b>301,250</b>    | <b>217,000</b> | <b>2,550,250</b>  |
| <b>Debt Service Funds</b>          |     |                  |                |                  |                  |                   |                |                   |
| Business Park Bonds                | 368 | -                | -              | -                | -                | 7,000             | -              | 7,000             |
| Swimming Pond Bonds                | 370 | 115,000          | -              | -                | -                | -                 | -              | 115,000           |
| City Sales Tax Bonds               | 372 | -                | -              | -                | -                | -                 | -              | -                 |
| Police Facility Bonds              | 374 | -                | -              | -                | -                | -                 | -              | -                 |
| <b>Total Debt Service</b>          |     | <b>115,000</b>   | <b>-</b>       | <b>-</b>         | <b>-</b>         | <b>7,000</b>      | <b>-</b>       | <b>122,000</b>    |
| <b>Capital Project Funds</b>       |     |                  |                |                  |                  |                   |                |                   |
| Permanent Improvement              | 225 | 250,000          | -              | -                | -                | 140,000           | -              | 390,000           |
| Facilities Planning                | 224 | -                | -              | -                | -                | 4,000             | -              | 4,000             |
| Public Works Reserve               | 231 | 100,000          | -              | -                | -                | 35,000            | 195,000        | 330,000           |
| Revolving Capital Projects         | 403 | -                | -              | -                | -                | -                 | -              | -                 |
| City Sales Tax Projects            | 405 | -                | 615,000        | -                | -                | 8,400,000         | -              | 9,015,000         |
| <b>Total Capital Project Funds</b> |     | <b>350,000</b>   | <b>615,000</b> | <b>-</b>         | <b>-</b>         | <b>8,579,000</b>  | <b>195,000</b> | <b>9,739,000</b>  |
| <b>Total Governmental Funds</b>    |     | <b>2,940,000</b> | <b>900,000</b> | <b>3,632,000</b> | <b>434,150</b>   | <b>9,233,850</b>  | <b>652,000</b> | <b>17,792,000</b> |
| <b>Internal Service</b>            |     |                  |                |                  |                  |                   |                |                   |
| Employee Severance Benefits        | 701 | -                | -              | -                | 20,000           | 25,000            | -              | 45,000            |
| <b>Total Internal Service</b>      |     | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>20,000</b>    | <b>25,000</b>     | <b>-</b>       | <b>45,000</b>     |
| <b>Enterprise Funds</b>            |     |                  |                |                  |                  |                   |                |                   |
| Water - Lake Superior Waterline    | 600 | -                | -              | -                | 2,550,000        | 1,500,000         | -              | 4,050,000         |
| Water - In Town System             | 601 | -                | -              | -                | 1,067,500        | 125,000           | -              | 1,192,500         |
| Sewer Utility                      | 602 | -                | -              | -                | 1,504,000        | 70,000            | -              | 1,574,000         |
| Stormwater Utility                 | 605 | -                | -              | -                | 330,000          | 2,000             | -              | 332,000           |
| <b>Total Enterprise Funds</b>      |     | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>5,451,500</b> | <b>1,697,000</b>  | <b>-</b>       | <b>7,148,500</b>  |
| <b>Total Proprietary Funds</b>     |     | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>5,471,500</b> | <b>1,722,000</b>  | <b>-</b>       | <b>7,193,500</b>  |
| <b>GRAND TOTAL ALL FUNDS</b>       |     | <b>2,940,000</b> | <b>900,000</b> | <b>3,632,000</b> | <b>5,905,650</b> | <b>10,955,850</b> | <b>652,000</b> | <b>24,985,500</b> |

**Expenditures/Expenses by Function for 2017**

| Personal Services | Supplies       | Other Services   | Debt           | Capital          | Transfers      | Expenditure/Expenses |
|-------------------|----------------|------------------|----------------|------------------|----------------|----------------------|
| 3,772,650         | 353,600        | 1,078,100        | -              | 62,000           | 200,000        | 5,466,350            |
| -                 | -              | 202,200          | -              | -                | -              | 202,200              |
| -                 | -              | 158,500          | -              | -                | -              | 158,500              |
| -                 | -              | 1,350            | -              | -                | -              | 1,350                |
| -                 | -              | 2,650            | -              | -                | -              | 2,650                |
| -                 | -              | -                | -              | -                | -              | -                    |
| -                 | -              | -                | -              | -                | -              | -                    |
| 129,900           | 3,500          | 27,800           | -              | -                | -              | 161,200              |
| -                 | -              | 800,000          | -              | -                | 17,000         | 817,000              |
| 447,750           | 54,900         | 69,950           | -              | -                | -              | 572,600              |
| -                 | -              | 30,000           | -              | -                | -              | 30,000               |
| -                 | -              | 25,000           | -              | -                | -              | 25,000               |
| -                 | -              | 55,000           | -              | -                | -              | 55,000               |
| 284,620           | 28,100         | 239,350          | -              | 47,500           | -              | 599,570              |
| -                 | 400            | 11,000           | -              | -                | -              | 11,400               |
| -                 | -              | -                | -              | -                | -              | -                    |
| 138,200           | 2,500          | 10,250           | -              | 15,000           | -              | 165,950              |
| -                 | -              | -                | -              | -                | -              | -                    |
| <b>1,000,470</b>  | <b>89,400</b>  | <b>1,633,050</b> | <b>-</b>       | <b>62,500</b>    | <b>17,000</b>  | <b>2,802,420</b>     |
| -                 | -              | -                | 243,150        | -                | -              | 243,150              |
| -                 | -              | -                | 107,000        | -                | -              | 107,000              |
| -                 | -              | -                | <b>350,150</b> | <b>-</b>         | <b>-</b>       | <b>350,150</b>       |
| -                 | -              | -                | -              | 735,500          | -              | 735,500              |
| -                 | -              | -                | -              | 145,000          | -              | 145,000              |
| -                 | -              | -                | -              | 454,500          | -              | 454,500              |
| -                 | -              | -                | -              | 4,613,000        | -              | 4,613,000            |
| -                 | -              | -                | -              | <b>5,948,000</b> | <b>-</b>       | <b>5,948,000</b>     |
| <b>4,773,120</b>  | <b>443,000</b> | <b>2,711,150</b> | <b>350,150</b> | <b>6,072,500</b> | <b>217,000</b> | <b>14,566,920</b>    |
| <b>50,000</b>     | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>50,000</b>        |
| 714,350           | 44,550         | 1,497,250        | -              | 1,657,700        | 47,000         | 3,960,850            |
| 573,950           | 88,200         | 344,350          | 134,250        | -                | 198,000        | 1,338,750            |
| 387,800           | 30,800         | 1,008,800        | -              | 175,000          | 153,000        | 1,755,400            |
| 138,800           | 28,500         | 22,550           | -              | -                | 37,000         | 226,850              |
| <b>1,814,900</b>  | <b>192,050</b> | <b>2,872,950</b> | <b>134,250</b> | <b>1,832,700</b> | <b>435,000</b> | <b>7,281,850</b>     |
| <b>1,864,900</b>  | <b>192,050</b> | <b>2,872,950</b> | <b>134,250</b> | <b>1,832,700</b> | <b>435,000</b> | <b>7,331,850</b>     |
| <b>6,638,020</b>  | <b>635,050</b> | <b>5,584,100</b> | <b>484,400</b> | <b>7,905,200</b> | <b>652,000</b> | <b>21,898,770</b>    |

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



**City of Cloquet**  
**Summary Comparison of General Fund Expenditures & Financing Uses, Revenues & Financing Sources**  
**2013 Actual through 2020 Proposed**

| Descriptions                              | 2013<br>ACTUAL      | 2014<br>ACTUAL      | 2015<br>ACTUAL      | 2016<br>BUDGET      | 2017<br>PROPOSED    | 2018<br>PROPOSED    | 2019<br>PROPOSED    | 2020<br>PROPOSED    | CHANGE<br>(*16 to *15 BUDGET) |               |         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------------------|---------------|---------|
|   |                     |                     |                     |                     |                     |                     |                     |                     | Dollars                       | Percent       |         |
| <b>Expenditures &amp; Financing Uses:</b> |                     |                     |                     |                     |                     |                     |                     |                     |                               |               |         |
| Council & Mayor                           | \$ 100,181          | \$ 101,268          | \$ 118,780          | \$ 114,000          | \$ 98,550           | \$ 87,550           | \$ 115,050          | \$ 97,550           | \$ (15,450)                   | -13.55%       |         |
| Judicial                                  | -                   | -                   | 292                 | -                   | -                   | -                   | -                   | -                   | -                             | -             |         |
| Elections                                 | 552                 | 15,486              | 135                 | 18,500              | -                   | 19,000              | -                   | 19,000              | (18,500)                      | 100.00%       |         |
| Administration                            | 187,541             | 216,313             | 204,919             | 346,900             | 269,050             | 198,250             | 215,750             | 248,750             | (77,850)                      | -22.44%       |         |
| Human Resources                           | -                   | -                   | -                   | -                   | 74,550              | 72,550              | 92,200              | 77,000              | 74,550                        | -             |         |
| Finance                                   | 170,747             | 174,666             | 166,630             | 202,300             | 178,550             | 196,400             | 189,400             | 192,750             | (23,750)                      | -11.74%       |         |
| Building & Planning Services              | 203,903             | 226,486             | 208,535             | 225,300             | 217,200             | 294,300             | 304,550             | 317,250             | (8,100)                       | -3.60%        |         |
| Prosecution                               | 97,446              | 102,815             | 118,376             | 95,000              | 110,000             | 110,000             | 115,000             | 115,000             | 15,000                        | 15.79%        |         |
| Managed Information Technology            | -                   | -                   | -                   | -                   | 47,000              | 47,000              | 47,000              | 47,000              | 47,000                        | 47,000        | 100.00% |
| General Government Bldgs                  | 101,017             | 126,027             | 117,117             | 107,150             | 113,050             | 114,650             | 117,450             | 120,450             | 5,900                         | 5.51%         |         |
| WLSSD District Wide Allocation            | -                   | -                   | -                   | -                   | 30,000              | 30,000              | 30,000              | 30,000              | 30,000                        | -             |         |
| Public Safety Building                    | 26,829              | 31,740              | 35,678              | 32,300              | 34,500              | 32,500              | 26,500              | 26,500              | 2,200                         | 6.81%         |         |
| Police & Other Public Safety              | 2,215,168           | 2,160,762           | 2,379,817           | 2,592,650           | 2,747,800           | 2,835,550           | 2,952,800           | 3,072,550           | 155,150                       | 5.98%         |         |
| Highways, Streets, & Roadways             | 1,014,375           | 1,034,833           | 839,451             | 1,024,600           | 1,037,850           | 1,060,150           | 1,084,300           | 1,148,850           | 13,250                        | 1.29%         |         |
| Snow Removal                              | 69,434              | 40,174              | 60,826              | 55,000              | 62,500              | 62,500              | 62,500              | 62,500              | 7,500                         | 13.64%        |         |
| Street Lighting                           | 168,173             | 148,522             | 168,729             | 154,500             | 157,500             | 157,500             | 157,500             | 157,500             | 3,000                         | 1.94%         |         |
| Weed Control                              | 12,173              | 5,213               | 10,143              | 8,000               | 28,000              | 28,000              | 28,000              | 28,000              | 20,000                        | 250.00%       |         |
| Events Coordination                       | -                   | -                   | 7,946               | 7,500               | 8,000               | 8,500               | 9,000               | 9,500               | 500                           | 6.67%         |         |
| Lodging Tax Distribution                  | 55,085              | 52,756              | 63,009              | 52,250              | 52,250              | 52,250              | 52,250              | 52,250              | -                             | -             |         |
| Other Financing Uses                      | 200,000             | 700,000             | 425,000             | 610,000             | 200,000             | 200,000             | 200,000             | 175,000             | (410,000)                     | -67.21%       |         |
| <b>Total</b>                              | <b>\$ 4,622,624</b> | <b>\$ 5,137,061</b> | <b>\$ 4,925,383</b> | <b>\$ 5,645,950</b> | <b>\$ 5,466,350</b> | <b>\$ 5,606,650</b> | <b>\$ 5,799,250</b> | <b>\$ 5,997,400</b> | <b>\$ (179,600)</b>           | <b>-3.18%</b> |         |
| <b>Revenues &amp; Financing Sources:</b>  |                     |                     |                     |                     |                     |                     |                     |                     |                               |               |         |
| Taxes                                     | \$ 1,401,078        | \$ 1,456,120        | \$ 1,492,395        | \$ 1,480,000        | \$ 1,655,000        | \$ 1,730,000        | \$ 1,830,000        | \$ 1,930,000        | \$ 175,000                    | 11.82%        |         |
| Licenses & Permits                        | 123,672             | 152,646             | 110,771             | 152,900             | 121,600             | 201,600             | 206,600             | 211,600             | (31,300)                      | -20.47%       |         |
| Intergovernmental                         | 2,382,472           | 2,724,359           | 2,769,940           | 2,794,900           | 2,832,000           | 2,837,000           | 2,842,000           | 2,847,000           | 37,100                        | 1.33%         |         |
| Charges for Service                       | 246,479             | 257,220             | 210,509             | 241,500             | 307,150             | 315,500             | 334,500             | 344,000             | 65,650                        | 27.18%        |         |
| Fines & Forfeits                          | 87,060              | 63,255              | 65,927              | 60,000              | 60,000              | 60,000              | 60,000              | 60,000              | -                             | -             |         |
| Investment Income                         | (10,582)            | 84,352              | 45,274              | 95,000              | 100,000             | 150,000             | 200,000             | 250,000             | 5,000                         | 5.26%         |         |
| Miscellaneous                             | 99,319              | 86,257              | 70,605              | 65,000              | 65,000              | 65,000              | 65,000              | 65,000              | -                             | -             |         |
| Other Financing Sources                   | 334,000             | 315,427             | 210,000             | 230,000             | 240,000             | 250,000             | 270,000             | 290,000             | 10,000                        | 4.35%         |         |
| <b>Total</b>                              | <b>\$ 4,663,498</b> | <b>\$ 5,139,636</b> | <b>\$ 4,975,421</b> | <b>\$ 5,119,300</b> | <b>\$ 5,380,750</b> | <b>\$ 5,609,100</b> | <b>\$ 5,808,100</b> | <b>\$ 5,997,600</b> | <b>\$ 261,450</b>             | <b>5.11%</b>  |         |
| <b>NET CHANGE</b>                         | <b>\$ 40,874</b>    | <b>\$ 2,575</b>     | <b>\$ 50,038</b>    | <b>\$ (526,650)</b> | <b>\$ (85,600)</b>  | <b>\$ 2,450</b>     | <b>\$ 8,850</b>     | <b>\$ 200</b>       | <b>\$ 441,050</b>             |               |         |

Laserfishe      Building Trans      Studies  
Cmty Sign      Cmty Sign      Cmty Sign  
Lasherfishe

City of Cloquet, Minnesota

Capital Plan

2017 thru 2021

PROJECTS BY YEAR

| Project Name                                       | Department     | Project # | Priority | Project Cost     |
|--|----------------|-----------|----------|------------------|
| <b>2017</b>  |                |           |          |                  |
| Cable TV Equipment Replacement                     | Administration | A-004     | 3        | 15,000           |
| City Building Energy & Renovation Projects         | Administration | A-012     | 2        | 130,000          |
| City Hall Technology and Laserfische Project       | Administration | A-014     | 3        | 20,000           |
| City Building Energy & Renovation Projects         | Administration | A-015     | n/a      | 15,000           |
| Replacement of Parks Trailer                       | Parks          | PE-613    | 4        | 15,000           |
| Riverfront Improvements - North Shoreline          | Parks          | PP-002    | 4        | 150,000          |
| Hilltop Park Improvements                          | Parks          | PP-004    | 5        | 15,000           |
| Pine Valley Park Improvements                      | Parks          | PP-010    | 5        | 120,000          |
| Reroof Park Shelter Buildings                      | Parks          | PP-014    | 2        | 10,000           |
| General Park Development Design                    | Parks          | PP-018    | 2        | 20,000           |
| New Skate Park Construction                        | Parks          | PP-025    | 3        | 350,000          |
| Riverview Park/Hospital/Highway 33 Landscaping     | Parks          | PP-029    | 3        | 50,000           |
| Dunlap/Spafford Parks/Highway 33 Landscaping       | Parks          | PP-030    | 3        | 228,000          |
| Dunlap Island Redevelopment                        | Parks          | PP-033    | 2        | 2,700,000        |
| Sunnyside Hockey Boards                            | Parks          | PP-038    | 3        | 30,000           |
| Squad Car Replacement                              | Police         | PD-002    | 2        | 86,000           |
| Small Business Server and Backup Software          | Police         | PD-006    | 2        | 19,000           |
| Early Warning Sirens                               | Police         | PD-009    | 2        | 18,000           |
| Records Management/Computer Aided Dispatch Systems | Police         | PD-011    | 3        | 46,500           |
| Dunlap Island Lift Station Generator               | Sewer          | SWP-002   | 2        | 25,000           |
| Sanitary Sewer CIPP Lining                         | Sewer          | SWP-005   | 1        | 150,000          |
| Replacement of 2005 Dump Truck                     | Street         | SE-224    | 3        | 215,000          |
| Replacement of 1996 Chevrolet Pickup               | Street         | SE-232    | 4        | 40,000           |
| Miscellaneous Street Repair and Overlays           | Street         | STP-010   | 3        | 685,000          |
| Broadway Street Overlay and Streetscape            | Street         | STP-038   | 2        | 1,000,000        |
| Station 1 Electrical System Upgrades               | Water          | WP-018    | 2        | 1,500,000        |
| <b>Total for 2017</b>                              |                |           |          | <b>7,652,500</b> |
| <b>2018</b>  |                |           |          |                  |
| Cable TV Equipment Replacement                     | Administration | A-004     | 3        | 5,000            |
| City Hall Network Server Replacement               | Administration | A-007     | 2        | 20,000           |
| City Hall Technology and Laserfische Project       | Administration | A-014     | 3        | 10,000           |
| Replacement of 2003 Toro Workman Groomer           | Parks          | PE-611    | 3        | 20,000           |
| Pine Valley Park Improvements                      | Parks          | PP-010    | 5        | 550,000          |
| General Park Development Design                    | Parks          | PP-018    | 2        | 20,000           |
| Pine Valley Facility Improvements                  | Parks          | PP-019    | 2        | 600,000          |
| Pinehurst Park Warming House                       | Parks          | PP-037    | 3        | 100,000          |
| Squad Car Replacement                              | Police         | PD-002    | 2        | 90,000           |
| Records Management/Computer Aided Dispatch Systems | Police         | PD-011    | 3        | 46,500           |
| Replacement of John Deere Loader                   | Street         | SE-202    | 3        | 150,000          |
| Replace 1997 Elgin Street Sweeper                  | Street         | SE-215    | 5        | 200,000          |
| Replacement of Air Compressor                      | Street         | SE-218    | 4        | 30,000           |

| Project Name                                      | Department         | Project # | Priority | Project Cost      |
|---|--------------------|-----------|----------|-------------------|
| Miscellaneous Street Repair and Overlays          | Street             | STP-010   | 3        | 660,000           |
| Public Works Garage Roof Replacement              | Street             | STP-021   | 2        | 20,000            |
| Pine Tree Plaza Frontage Road                     | Street             | STP-032   | 1        | 470,000           |
| I-35/Highway 33 Frontage Road                     | Street             | STP-039   | 2        | 635,000           |
| Cloquet Avenue Streetscape                        | Street             | STP-040   | 2        | 2,000,000         |
| West End Arch Street/Park Avenue Reconstruction   | Street & Utilities | STUP-006  | 3        | 1,180,000         |
| Replacement of 1998 John Deere 1445 Tractor/Mower | Water              | WE-306    | 3        | 42,000            |
| Filter Plant - Spring Lake                        | Water              | WP-021    | 3        | 5,200,000         |
| <b>Total for 2018</b>                             |                    |           |          | <b>12,048,500</b> |

## 2019

|  |                    |          |     |                   |
|--|--------------------|----------|-----|-------------------|
| Cable TV Equipment Replacement               | Administration     | A-004    | 3   | 2,500             |
| City Building Energy & Renovation Projects   | Administration     | A-012    | 2   | 6,400,000         |
| Pinehurst Park Equipment Improvements        | Parks              | PP-013   | 1   | 100,000           |
| Regional Trail Development                   | Parks              | PP-017   | 2   | 100,000           |
| General Park Development Design              | Parks              | PP-018   | 2   | 20,000            |
| Squad Car Replacement                        | Police             | PD-002   | 2   | 90,000            |
| Sanitary Sewer CIPP Lining                   | Sewer              | SWP-005  | 1   | 150,000           |
| Replacement of 2000 Grader                   | Street             | SE-203   | 3   | 350,000           |
| Replacement of 2007 GMC K2500 Pick-up Truck  | Street             | SE-231   | 3   | 25,000            |
| Replace 1997 Chevrolet K1500 Pick-up Truck   | Street             | SE-233   | 3   | 25,000            |
| Miscellaneous Street Repair and Overlays     | Street             | STP-010  | 3   | 622,000           |
| Antus Addition/14th Street Utility Extension | Street & Utilities | STUP-008 | n/a | 1,250,000         |
| Painting of 2MG Station 2 Reservoir          | Water              | WP-019   | 2   | 570,000           |
| Painting of 5MG Harris Reservoir             | Water              | WP-020   | 3   | 945,000           |
| Filter Plant - Well 11                       | Water              | WP-022   | 3   | 1,700,000         |
| <b>Total for 2019</b>                        |                    |          |     | <b>12,349,500</b> |

## 2020

|  |                    |          |   |                  |
|--|--------------------|----------|---|------------------|
| Cable TV Equipment Replacement                   | Administration     | A-004    | 3 | 2,500            |
| Replacement of 2010 Single Axle Ford Dump Truck  | Parks              | PE-601   | 3 | 40,000           |
| Replacement of 2011 John Deere Front Mower       | Parks              | PE-602   | 3 | 41,000           |
| Braun Park Field Irrigation                      | Parks              | PP-011   | 1 | 200,000          |
| Squad Car Replacement                            | Police             | PD-002   | 2 | 90,000           |
| Replacement of 2004 Single Axle Dump Truck       | Street             | SE-211   | 3 | 60,000           |
| 2006 Towmaster Light Equipment Trailer           | Street             | SE-217   | 3 | 12,000           |
| Replacement of 1969 John Deer Dozer              | Street             | SE-219   | 5 | 0                |
| Replacement of 1996 Caterpillar Vibratory Roller | Street             | SE-228   | 3 | 150,000          |
| Replacement of 2005 Chevrolet K1500 Pick-Up      | Street             | SE-504   | 2 | 20,000           |
| Miscellaneous Street Repair and Overlays         | Street             | STP-010  | 3 | 665,000          |
| Public Works Garage Roof Replacement             | Street             | STP-021  | 2 | 20,000           |
| 17th Stree Reconstruction                        | Street & Utilities | STUP-002 | 5 | 725,000          |
| Replacement of 2005 One-Ton Pickup               | Water              | WE-301   | 3 | 50,000           |
| Replacement of 2000 ABU Trailer                  | Water              | WE-304   | 3 | 10,000           |
| <b>Total for 2020</b>                            |                    |          |   | <b>2,085,500</b> |

## 2021

|   |                |         |   |           |
|---|----------------|---------|---|-----------|
| Cable TV Equipment Replacement              | Administration | A-004   | 3 | 8,000     |
| City Hall Network Server Replacement        | Administration | A-007   | 2 | 25,000    |
| Replacement of 2013 Toro Groundmaster Mower | Parks          | PE-614  | 3 | 55,000    |
| Athletic Park Re-design and Development     | Parks          | PP-015  | 3 | 1,000,000 |
| Sanitary Sewer CIPP Lining                  | Sewer          | SWP-005 | 1 | 150,000   |
| Replacement of 2008 Loader                  | Street         | SE-201  | 3 | 160,000   |
| Replacement of 1996 Single Axle Dump Truck  | Street         | SE-208  | 4 | 200,000   |



| <b>Project Name</b>                           | <b>Department</b>  | <b>Project #</b> | <b>Priority</b> | <b>Project Cost</b> |
|---|--------------------|------------------|-----------------|---------------------|
| Replacement of 2006 Case Rubber Tired Backhoe | Street             | SE-227           | 3               | 150,000             |
| Miscellaneous Street Repair and Overlays      | Street             | STP-010          | 3               | 665,000             |
| 20th Street Reconstruction                    | Street & Utilities | STUP-005         | 2               | 945,000             |
| Water Tower                                   | Water              | WP-023           | 3               | 2,000,000           |
| <b>Total for 2021</b>                         |                    |                  |                 | 5,358,000           |
| <b>GRAND TOTAL</b>                            |                    |                  |                 | 39,494,000          |