

AGENDA
SPECIAL CITY COUNCIL MEETING
JUNE 24, 2024

- 1. Call to Order and Pledge of Allegiance: 6:00 p.m. Council Chambers**
- 2. Approval of Agenda**
- 3. Public Works**
 - a. Street Assessment Policies - Review**
 - b. Park Plan for Veteran's Memorial Park**
- 4. Public Safety**
 - a. Ambulance Purchase Options**
 - b. Wright County Sheriff Contract**
- 5. Administration**
 - a. Travel and Training Policy**
 - b. State Demographer's Estimate**
 - c. Community Foundation**
 - d. City Administrator Position**
- 6. Adjournment**

MEMO

TO: Cokato City Council
FROM: Brad Potter, City Administrator
DATE: June 6, 2024
RE: Miscellaneous Items

Street Assessment Policies

We have discussed if Street Assessment policies may be an alternative to funding streets rather than property taxes. Several Assessment Policies are attached including the possibility of assessing 30% to 50% of the improvements to properties that would benefit from the project.

This would be big shift in the policy that the City has had in the past with no Special Assessments that have been issued for past projects.

CITY OF DASSEL

SPECIAL ASSESSMENT POLICIES AND PROCEDURES FOR PUBLIC IMPROVEMENTS AND MAINTENANCE COSTS

- SECTION 1. General Policy Statement.
- SECTION 2. Improvements and Maintenance Costs Eligible for Special Assessment.
- SECTION 3. Initiation of Public Improvement Projects.
- SECTION 4. Public Improvement Procedures.
- SECTION 5. Financing of Public Improvements.
- SECTION 6. General Assessment Policies.
- SECTION 7. Methods of Assessment.
- SECTION 8. Standards for Public Improvement Projects.
- SECTION 9. Policies of Reassessment.
- SECTION 10. Assessment Computations.
- SECTION 11. Deferment of Assessments.

SECTION 1. GENERAL POLICY STATEMENT.

The purpose of this policy is to establish a fair and equitable manner of assessing the increase in market value (special benefit) associated with public improvements. The procedures used by the City for levying special assessments are those specified by Minnesota Statutes, Chapter 429 which provides that all or a part of the cost of improvements may be assessed against benefiting properties.

Three basic criteria must be satisfied before a particular parcel can be assessed. The criteria are as follows:

1. The land must have received special benefit from the improvement.
2. The amount of the assessment must not exceed the special benefit.
3. The assessment must be uniform in relation to the same class of property within the assessment area.

It is important to recognize that the actual cost of extending an improvement past a particular parcel is not the controlling factor in determining the amount to be assessed. However, in most cases the method for assigning the value of the benefit received by the improvement, and therefore the amount to be assessed, shall be the cost of providing the improvement. This shall be true provided the cost does not demonstrably exceed the increase in the market value of the property being assessed. The entire project shall be considered as a whole for the purpose of calculating and computing an assessment rate. In the event city staff has doubt as to whether or not the costs of the project may exceed the special benefits to the property, the City Council may obtain such appraisals as may be necessary to support the proposed assessment.

This assessment policy is intended to serve as a guide for a systematic assessment process in the City. There may be exceptions to the policy or unique circumstances or situations which may require special consideration and discretion by city staff and the City Council.

SECTION 2. IMPROVEMENTS AND MAINTENANCE COSTS ELIGIBLE FOR SPECIAL ASSESSMENT.

Subd. 1. The following public improvements and related acquisition, construction, extension, and maintenance of such improvements, authorized by Minnesota Statutes, Sections 429.021 and 459.14, Subd. 7, are eligible for special assessment within the City:

REDEVELOPMENT:

1. Streets, sidewalks, pavement, curbs and gutters, including the beautification thereof.
2. Parking lots.
3. Water works systems and appurtenances, within and without the corporate limits.
4. Sanitary sewer and storm sewer systems including appurtenances, within and without the corporate limits.
5. Street boulevard trees.
6. Abatement of nuisances; including but not limited to: Those nuisances defined and contained within all sections of Title IX General Regulation of the Dassel City Code.
7. Dikes and other flood control works.
8. Retaining walls and area walls.
9. Fire protection systems in existing buildings upon a petition pursuant to section 429.031, subdivision 3.

NEW DEVELOPMENT:

1. Street lights, street lighting systems and special lighting systems.
2. Parks, playgrounds, and recreational facilities, including the purchase of equipment, within or without the corporate limits.

Subd. 2. The City is also authorized by ordinance adopted pursuant to Minnesota Statutes Section 429.021 to recover, through special assessment, the following maintenance costs:

1. Snow, ice, or rubbish removal from sidewalks.
2. Weed elimination from streets or private property.
3. Removal or elimination of public health or safety hazards from private property excluding any structure included under the provisions of Minnesota Statutes, sections 463.15 to 463.26.
4. Installation or repair of water service lines
5. The trimming and care of trees and the removal of unsound trees from any street.
6. The treatment and removal of insect infested or diseased trees on private property.
7. The repair of sidewalks and alleys.
8. The operation of a street lighting system.
9. The operation and maintenance of a fire protection system.

SECTION 3. INITIATION OF PUBLIC IMPROVEMENT PROJECTS.

Public improvement projects can be initiated in the following ways.

1. Public improvement projects may be initiated by petition of owners of at least 35% in frontage of the property abutting the proposed improvement.
2. Public improvements also may be initiated by the City Council when, in its judgment, such action is required.
3. A resolution ordering any improvements initiated by the Council or by owners of less than 35% of abutting property owners requires a four-fifths majority vote of all members of the Council. A resolution ordering any improvements initiated by owners of not less than 35% of abutting property owners requires a majority vote of all members of the Council. A resolution ordering any improvements initiated by all owners of abutting property, and assessing the entire cost against their property, may be adopted without a public hearing. The Council may consider the request of a Developer to construct the improvements and assess the developer.

SECTION 4. PUBLIC IMPROVEMENT PROCEDURE.

The following is the general procedure followed by the City Council for all public improvement projects from initiation of such a project through certification of the assessment roll to the County Auditor. Formats for the various reports and resolutions referenced in this section are made a part of the policies and procedures of the City.

1. Staff reviews petition or Developer's request for submission to Council.
2. Council accepts or rejects petition or request. If based upon a petition, the Council adopts a resolution declaring whether the required percentage of property owners has signed. If the petition or request is accepted, Council orders preparation of feasibility report.
3. Staff prepares feasibility report. The report shall preliminary evaluate whether the proposed improvement is necessary, cost-effective, and feasible and whether it should be made as proposed or in conjunction with another project. The report shall include an estimate of the cost of the improvement as proposed. Council may refer the report to the Planning and Zoning Commission.
4. Council accepts or rejects feasibility report. If accepted, Council orders public hearing on the improvements.
5. Staff posts and publishes hearing notice and mails notices to affected property owners as provided in Minn. Stat. § 429.031(a).
6. Council conducts public hearing.
7. Within six (6) months of the hearing date, Council adopts or rejects resolution ordering improvement to be constructed and advertisement of bids. If adopted, staff prepares final plans, advertises for and opens bids as provided in Minn. Stat. § 429.041, prepares bid tabulation, makes recommendation to City Council for award, and prepares proposed assessment roll. Bonds to finance project costs may be issued at any time after the improvements are ordered.
8. Council reviews proposed assessment roll and orders assessment hearing.
9. Staff publishes hearing notice, mails notice of hearing date and proposed assessments to the affected property owners as provided in Minn. Stat. § 429.061.

10. Council conducts assessment hearing and adopts, revises, or rejects resolution determining the amount of the total expense the City will pay, if any, and establishing the assessment roll. If adopted, Council authorizes certification of the assessment to the County Auditor.
11. Council awards contract based on the bids received.
12. Staff certifies the assessment roll to the County Auditor.
13. Staff supervises construction and prepares payments.

SECTION 5. FINANCING OF PUBLIC IMPROVEMENTS.

The City encourages public improvement projects as the area (s) benefiting and needing such improvements develop. Examples of this policy can be seen through the subdivision regulations, zoning ordinance, and building codes. Developers are required to provide the needed improvements and services before development occurs, thereby avoiding unexpected hardships on the property owners purchasing such property and the general public. However, it is recognized that certain areas of the City have developed without all needed public improvements (e.g. parks, water, sewer, and street improvements) and that methods must be found to provide these improvements without causing undue hardships on the general public or the individual property owner.

Special assessments are generally accepted as a means by which areas can obtain improvements or services; however, the method of financing these is a critical factor to both the City and the property owner. Full project costs spread over a very short term can cause an undue hardship on the property owner and, likewise, city costs and systems costs spread over a long period of time can produce an undue hardship on the general public of the City.

It is the policy of the City to defer assessments only in cases where circumstances exist that; senior citizens 65 years of age or older; persons retired by virtue of a permanent/total disability; persons under military deployment; or the City Council determines the assessment would result in undue hardship. The process for such deferments is laid out in Section 11 of this policy.

Also, the City Council may elect to defer assessments on undeveloped land for a specified length of time or until the lands are developed. Terms and conditions of any such deferral will be established in the resolution adopting the assessments.

SECTION 6. GENERAL ASSESSMENT POLICIES APPLICABLE TO ALL TYPES OF IMPROVEMENTS.

The cost of any improvement shall be assessed upon property by the improvements based upon benefits received. The following general principles shall be used as a basis of the City's assessment policy:

1. **Project Cost.** The "project cost" of an improvement includes the costs of all necessary construction work required to accomplish the improvement, plus engineering, legal, administrative, financing and other contingent costs, including

acquisition of right-of-way and other property. The finance charges include all costs of financing the project. These costs include but are not limited to financial consultant's fees, bond rating agency fee, bond attorney's fees, and capitalized interest. The interest charged to the project shall be included as financing charges.

2. **City Cost.** The "city cost" of an improvement is the amount of the total improvement expense the City will pay as determined by Council resolution. Where the project cost of an improvement is not entirely attributed to the need for service to the area served by said improvement, or where unusual conditions beyond the control of the owners of the property in the area served by the improvement would result in an inequitable distribution of special assessments, or for any other reason determined by the City, the City, through the use of other funds, may pay such "city cost."
3. **Assessable Cost.** The "assessable cost" of an improvement is equal to the "project cost" minus the "city cost."
4. **Interest.** The City will charge interest on special assessments at a rate specified in the resolution approving the assessment roll. If bonds were sold to finance the improvement project, the interest rate shall be no greater than two percent (2%) more than the average interest rate of the bonds, rounded to the nearest quarter of a percent. If no bonds were sold, the interest rate shall be set at the same rate.
5. **Prepayment.** Property owners may pay their assessments in full interest free for a period of 30 days after the assessment hearing. After such period interest shall be computed from the date specified in the assessment resolution. The City will transmit a certified duplicate of the assessment roll with each installment, including interest, to the County Auditor, or in lieu of such certification, annually certify to the County Auditor by November 30 in each year, the total amount of installments of and interest on assessments on each parcel which are to become due in the following year. Prior to certification of principal and interest or the first installment thereof, to the County Auditor, a property owner may make a partial prepayment of the principal to the City. Such partial prepayment must be at least \$100.00. If the partial prepayment is made after the 30-day "interest free" period allowed by state law, interest will be charged on the amount of the partial prepayment from the date specified in the resolution and paid along with the partial prepayment. After the City has made the first certification of principal and interest to the County Auditor, prepayment will be accepted only for the total amount still owing including interest and must be made prior to November 15 of any year. If a parcel has two or more separate special assessments, prepayment of the remaining principal balance may be made on one or more assessment totals. Tax-exempt parcels such as churches and school properties may make only one partial prepayment to the first certification to the County Auditor. The remaining principal after the partial prepayment will be paid in equal installments over the remaining term of the special assessments.
6. **Extensions.** Where an improvement is designed for service of an area beyond that receiving the initial benefit, the City may pay for increased project costs due to such provisions for future service extensions. The City will levy assessments to cover this cost when a new improvement is installed as an extension of the existing improvement upon identification of such additional amount in the notice of hearing for the extensions or new improvements. As an alternative, the City may assess these costs to the area of future benefit immediately.
7. **Frontage Roads.** Because frontage roads along highways or other arterial streets are deemed to be of benefit to commercial or industrial properties, the entire costs of any

improvement on such frontage roads shall be assessable to the benefited properties, even if only those properties on one side of such frontage roads are benefited.

8. **Project Assistance.** If the City receives financial assistance from the Federal Government, the State of Minnesota, the County, or from any other source to defray a portion of the costs of a given improvement, such aid will be used first to reduce the overall project cost of the improvement prior to final assessment calculation. If any financial assistance received is greater than the project cost the remainder of the aid will be placed in the Capital Improvement Fund for other city projects.
9. **Assessable Property.** Property owned by the City and other political subdivisions including municipal building sites, parks and playgrounds, but not including public streets, alleys, and right-of-way, shall be regarded as being assessable on the same basis as if such property was privately owned. Private right-of-way shall be assessable.
10. **Individual Benefits.** The City must construct improvements specifically designed for or shown to be of benefit solely to one or more properties. The costs for these improvements will be assessed directly to such properties, and not included in the assessments for the remainder of the project. An example of this would be utility service lines running from the main lines to the property.
11. **Benefit Appraisals.** In the event that city staff has doubt as to whether or not the proposed assessments exceed the special benefits to the property in question, the City Council may order benefit appraisals as deemed necessary to support the proposed assessments. As a general rule, benefit appraisals may be ordered when the proposed assessment exceeds \$7,000 for a standard city reconstruction on a residential lot or \$25,000 per acre for commercial or industrial property.
12. **Condemnation Awards.** A property owner may elect to offset special assessments against condemnation awards. In such case, the property owner must execute an agreement (Net Assessment Agreement) with the City Council.

SECTION 7. METHODS OF ASSESSMENT.

Subd. 1. General Statement. There are different methods of assessment: per lot, adjusted front foot, and area. The feasibility report will recommend one or a combination of these methods for each project, based upon which method would best reflect the benefit received for the area to be assessed. The City Council will select the preferred method of calculating the assessments at the time the project is ordered.

Subd. 2. Policy Statement. The following methods of assessment, as described and defined below, are hereby established as methods of assessment in the City.

A. “Adjusted Front Footage” Method of Assessment.

The “cost per adjusted front foot” method of assessment shall be based on the quotient of the “assessable cost” divided by the total assessable frontage benefiting from the improvement. For the purpose of determining the “assessable frontage,” all properties, including governmental agencies, churches, non-profits, etc., shall have their frontages included in such calculation.

The actual physical dimensions of a parcel abutting an improvement (i.e., street, sewer, water, etc.) shall not be construed as the frontage utilized to calculate the assessment for a particular parcel. Rather, an “adjusted front footage” will be determined. The purpose of this method is to equalize assessment calculations for lots of similar size. Individual parcels by their very nature differ considerably in shape and area. The following procedures will apply when calculating adjusted front footage. The selection of the appropriate procedure will be determined by the specified configuration of the parcel. All measurements will be scaled from available plat and section maps and will be rounded down to the nearest foot dimension with any excess fraction deleted.

1. *Rectangular Interior Lots.* The rectangular lot is defined as having no more than 2.0 feet difference between the front and rear lot lines. The adjusted front footage is the actual front footage of the lot. For rectangular lots whose frontage is greater than its depth, the “odd shaped lot” method shall be used.
2. *Odd Shaped Lots.* For odd shaped lots such as exist on cul-de-sacs and curved streets where there is more than 2.0 feet of difference between the front and rear lot lines, and where the lots frontage is greater than its depth, the “odd shaped lot” method of determining the adjusted front footage shall be used. The adjusted front footage shall be computed by dividing the area of the lot by 12,000 square feet to determine the equivalent number of front footage units in the parcel. The number of units multiplied by 80 feet will give the adjusted front footage.
3. *Corner Lot Adjustment.* For street and trail assessments, each side will be assessed 50% of the actual front footage when that side is improved.
4. *Zonal Assessment.* (This method may be selected rather than the corner lot adjustment if the City Council deems that unusual circumstances exist.) All lots within a project area “zone” may be equalized as to assessment amount if they are deemed to benefit equally.

B. “Area” Method of Assessment.

The “area” method of assessment shall be based on the number of square feet or acres within the boundaries of the appropriate property lines of the areas benefiting from the project. The assessment rate (i.e., cost per square foot) shall be calculated by dividing the total assessable cost by the total assessable area. On large lots, the City Engineer may determine that only a portion of the lots receives the benefit and may select a lot depth for the calculations equal to the benefit received.

All properties included in the benefited area, including other governmental areas, non-profits, churches, etc., shall be assessable. The following items may not be included in area calculations: public right-of-ways, and natural waterways, swamps and lakes and other wetlands designated by the Minnesota Department of Natural Resources or the City. The City Engineer will make a recommendation on the boundaries or parameters of the benefited area in the feasibility report.

C. “Per Lot” Method of Assessment.

The “per lot” method of assessment shall be based on equal assessment of all lots within the benefited area. The “assessment per lot” shall be the quotient of the “assessable cost” divided by the total assessable lots or parcels benefiting from the improvement. For the purpose of determining the “lots” or “parcels” all parcels, including governmental agencies, non-profits, churches, etc., shall be included in such calculations.

SECTION 8. STANDARDS FOR PUBLIC IMPROVEMENT PROJECTS.

The following standards are hereby established by the City to provide a uniform guide for improvements within the City.

A. Surface Improvements

Surface improvements shall normally include all improvements visible on or above the ground within the right-of-way, and includes, but is not limited to trees, lighting, sidewalks, signing; street and accessory improvements such as drainage ponds and facilities, parking lots, parks and playgrounds.

Policy Statement. Prior to construction or completion of surface improvements, all utilities and utility service lines (including sanitary sewers, storm sewers, water lines, gas and electric service) shall be installed to all planned service locations such as residences or buildings.

When practicable, no surface improvements to less than both sides of a full block of street shall be approved except as necessary to complete partially completed improvements initiated previously. Concrete curbing or curb and gutter shall be installed at the same time as street surfacing.

B. Sub-Surface Improvements

Subsurface improvements shall normally include such items as water distribution, sanitary sewer, storm sewer lines, electric utilities, gas utilities, communication utilities.

Main lines are the publicly owned and maintained lines or facilities such as trunk lines, interceptors, mains, and laterals. Service lines are those privately owned lines or facilities extending from the main line to the property line.

Policy Statement. Sub-surface improvements shall be made to serve current and projected land use. All installations shall conform to applicable standards established by local, state and/or federal agencies of competent jurisdiction. All installations shall also comply, to the maximum extent feasible, with nationally recognized standards such as those of the American Insurance Association.

Service lines from the lateral or trunk to the property line of all planned service locations such as residences or buildings shall be installed in conjunction with the construction of the mains.

SECTION 9. POLICIES OF REASSESSMENT.

The City shall design public improvements to last for a definite period. The life expectancy or service life shall be as stated in the policy statement of this section, or if different, shall be as stated in the resolution ordering improvement and preparation of plans.

A. Policy Statement

The following are the “life expectancies” or “service lives” of public improvements except as may be otherwise stated in the resolution ordering improvement and preparation of plans. All expectancies are based on city engineered plans and construction.

1. Sidewalks - 20 years.
2. Street improvements, including surfacing and curb and gutter - 20 years.
3. Ornamental street lighting - 20 years.
4. Water Mains - 20 years.
5. Sanitary Sewers - 30 years.
6. Storm Sewers - 30 years.

SECTION 10. ASSESSMENT COMPUTATIONS.

The following is the typical city assessment for various specified improvements.

A. Street and Curb and Gutter Improvements

1. ***New Constructions.*** New streets are assessed 100% to the abutting benefited properties. Street and curb and gutter improvements will normally be assessed by the adjusted front foot method; however other methods may be utilized if conditions warrant. Cost of construction of streets shall be assessed based on the minimum design of 7-ton axle load in residential areas and 9-ton axle load in commercial and industrial areas. Over sizing costs which are incurred in excess of the above may be paid by: (1) State funds, (2) larger assessment rates to other benefited properties, (3) general obligation funds, or (4) any other method or combination of methods authorized by the City Council.
2. ***Reconstruction and Overlays.*** Street reconstructions and overlays are assessed 40% to the abutting benefited properties. New curb and gutter is 40% assessed.
3. ***Gravel Streets.*** Upgrading of existing Gravel Street by adding pavement, curb and gutter is considered new construction and all costs are assessed 40%.
4. ***Seal Coats.*** Sealcoats are not assessed unless deemed appropriate by the Council.

5. **Alleys.** Upgrading existing gravel alleys by adding pavement is assessed 100% to all lots abutting on the alley in the block being improved. Reconstructing existing paved alleys are 100% assessed also.

B. Sidewalks and Trails

1. **New Development.** New sidewalks are assessed 100% to the abutting property on which the sidewalk is located.
2. **Reconstruction.** Replacement sidewalks are assessed 0% to the abutting property owner and 100% City funded.
3. **Trails.** Bituminous walkways and/or bicycle trails may be assessed as deemed appropriate by the City. New subdivisions are assessed 100% for bituminous walkways/bicycle trails.

C. Storm Sewer Improvements

Storm sewers are assessed on a project-by-project basis. Storm sewers in new subdivisions are considered an assessable improvement on an area basis.

Oversizing costs due to larger mains and larger appurtenances are paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area storm sewer charges are levied to all unplatted property at the time of platting, to re-plats that have not been charged trunk area charges when the land was originally platted, and to re-plats that have been charged trunk area charges when the land was originally platted but where the use is increasing (only the cost difference based on current and prior use is charged). The charges will be set in the annual fee schedule during the first City Council meeting in January of each year.

Normally, storm sewers are assessed on an area wide basis (square foot or acres), but in certain situations the per lot method or adjusted front method may be utilized at the City Council's discretion.

The replacement of existing storm sewers is assessed 40% with the remaining costs paid for by other funding sources identified by the City Council.

D. Sanitary Sewer Assessments

Assessments for sanitary sewer in residential areas are based upon the cost of construction of 8 inch mains, which is the smallest size installed in residential areas of the City. Assessments for sanitary sewers in commercial and industrial areas are based upon a standard size of 12-inch mains.

Over sizing costs due to larger mains and larger appurtenances will be paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area sanitary sewer charges shall be levied to all un-platted property at the time of platting and to re-plats that have not been charged trunk area charges when the land was originally platted. The charges will be set in the annual fee schedule during the first City

Council meeting in January of each year. Services installed to individual properties are fully assessed to the benefiting property.

Normally, sanitary sewers are assessed utilizing the per lot method, but in certain situations the adjusted front footage method or area method (square foot or acres method) may be utilized at the City Council's discretion.

Lateral benefit from major trunk sewers or interceptors is assessed to the properties benefited by the sewer. Any over sizing cost is assessed as described above.

The replacement of existing sewers is assessed 40% with the remaining costs paid for by other funding sources identified by the City Council.

Individual service lines installed directly to specified properties are fully assessed directly to the benefited properties. Properties that have existing sanitary services, but do not have mainline sewers adjacent, across or up to their property lines pay 100% of the assessment rate for the new mainline sanitary sewer as well as 100% of the cost associated with replacing the service lines.

Any existing service lines found to be defective during a street reconstruction are replaced as part of the project and assessed 100% directly to the property.

E. Water main Assessments

Assessments for water mains in residential areas are based upon the cost of construction of 8 inch mains, which is the smallest size installed in residential areas of the City. Assessments for water mains in commercial and industrial areas are based upon the standard size of 12-inch mains.

Over sizing costs due to larger mains and larger appurtenance are paid for by a combination of availability charges, user charges and/or trunk area assessment charges. Trunk area water charges shall be levied to all un-platted property at the time of platting and to re-plats that have not been charged trunk area charges when the land was originally platted. The charges will be set in the annual fee schedule during the first City Council meeting in January of each year. Services installed to individual properties shall be fully assessed to the benefiting property.

Normally, water mains are assessed on a per lot basis, but in certain situations the area or adjusted front method may be utilized at the City Council's discretion.

The replacement of existing water mains is assessed 40%.

Lateral benefit from major trunk water mains is assessed to properties benefited by the water main. Lateral water main assessments are based on the costs for an equivalent 8" diameter water main for residential properties and for an equivalent 12" diameter water main for commercial/industrial properties.

Individual service lines installed directly to specified properties are fully assessed directly to the benefited properties. Properties that have existing water services, but do not have mainline water mains adjacent, across or up to their property lines pay 100% of the assessment rate for the new water main as well as 100% of the cost associated with replacing the service lines.

Any existing service lines found during the project to be defective, are to be replaced and assessed 100% directly to the property.

F. Street Boulevard Trees

All street boulevard trees installed as part of new street constructions or in reconstructing existing streets shall be included as part of the overall project costs included in the assessment calculations.

G. Street Lights

All costs for new streetlights installed as part of constructing new streets or streetlights relocated as part of reconstructing streets are included in the overall project costs and included in the assessment calculations. In new subdivisions, the City may require the developer to finance street light improvement rather than assessing the cost.

H. Other Improvements

Based on the City Council determination, any other improvements may be fully assessed or assessed in part.

SECTION 11. DEFERMENT OF SPECIAL ASSESSMENTS.

Subd. 1. The Council may defer the payment of any special assessment on homestead property owned by a person who is 65 years of age or older, who is retired by virtue of permanent and total disability, qualifying military deployment, or in cases where the City Council determines that the assessment would result in undue hardship.

The City Clerk is hereby authorized to record the deferment of special assessments where the following conditions are met:

1. The applicant must apply for the deferment not later than 90 days after the assessment is adopted by the City Council.
2. The applicant must be 65 years of age or older, retired by virtue of permanent and total disability, active military as defined in Minnesota State Statute Section 190.05 Subd. 5b or 5c., or the City Council determines the assessment would result in undue hardship.
3. The applicant must be the owner of the property.
4. The applicant must occupy the property as his principal place of residence.
5. The average annual payment for assessments levied against the subject property exceed one percent of the adjusted gross income of the applicant as evidenced by the applicant's most recent federal income tax return. The average annual payment of an

assessment shall be the total cost of the assessment divided by the number of years over which it is spread.

Subd. 2. The deferment shall be granted for as long a period of time as the hardship exists and the conditions aforementioned have been met. However, it shall be the duty of the applicant to notify the City Clerk of any change in his status that would affect eligibility for deferment.

Subd. 3. The entire amount of deferred special assessments shall be due within sixty days after loss of eligibility by the applicant. If the special assessment is not paid within the sixty (60) days, the City Clerk shall add thereto interest at a per annum interest rate of two percent (2%) above the bond interest rate and the total amount of principal and interest shall be certified to the County Auditor for collection with taxes the following year. Should the applicant demonstrate to the satisfaction of the Council, that full repayment of the deferred special assessment would cause the applicant particular undue financial hardship, the Council may order that the applicant pay within sixty days a sum equal to the number of installments of deferred special assessments outstanding and unpaid to date, including principal and interest, with the balance thereafter paid according to the terms and conditions of the original special assessments.

Subd. 4. The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following:

1. The death of the owner when there is no spouse who is eligible for deferment.
2. The sale, transfer or subdivision of all or any part of the property.
3. Loss of homestead status on the property.
4. Determination by the Council for any reason that immediate or partial payment would impose no hardship.

MORRISTOWN ASSESSMENT POLICY

(Revised March 3, 2014)

Revised April 2020

Section 1. Improvements Eligible for Special Assessment. The following public improvements and related acquisition, construction, extension, and maintenance of such improvements, authorized by Minnesota Statutes Sections 429.021 and 459.14, are eligible for special assessment within the City:

- a. Streets, sidewalks, trails, pavement, curbs and gutters.
- b. Water works.
- c. Sanitary sewer.
- d. Storm sewer.
- e. Street boulevard trees, landscaping and other city beautification projects.
- f. Street lights.

Public improvements shall be specially assessed regardless of whether the City receives financial assistance from the Federal Government, the State of Minnesota, Rice County, or from any other source to defray a portion of the costs of the public improvement. Such aid shall be used first to reduce the city cost of the improvement (the amount of the total improvement expense the City will pay). If the financial assistance received is greater than the city cost, the remainder of the aid shall be placed in the Capital Improvement Fund to be applied towards other City projects.

Section 2. New Subdivisions. All costs incurred for the development of new infrastructure are assessable against the benefitted property 100% in accordance with the following guidelines for new construction. These costs shall include all costs for the engineering, legal, construction and financing of the actual improvements installed. These assessable costs include all costs for the streets, landscaping, water, sanitary sewer, storm sewer, and electrical distribution systems. These assessments may be financed through the annual payments of principal and interest.

Section 3. Computation of Assessments. General assessable costs shall be for the following categories and calculated using not only the construction costs, but also the applicable portion of the engineering, legal and financing costs to construct those improvements. Assessments shall fall into these categories:

A. Street Improvements.

1. **Method of Calculating Assessments.** All lots shall be assessed at 100% of the total lot frontage, save and except for the following:

- a. Lots that abut two or more streets, including corner lots, shall be assessed at one-half of the total lot frontage of the improved street.
- b. Odd shaped lots (where there is greater than 2.0 feet difference between the front and rear lot lines), including lots on cul-de-sacs, shall be assessed at one-half of the sum of the lot's front and rear lot lines.

- c. Lots that do not abut a public improvement but which are serviced by the public improvement shall be assessed as if the frontage closest to the public improvement abuts the public improvement. Examples include a back lot that does not abut a street but is accessed by that street, and lots that do not abut a street but access water or sewer services from the trunk lines running under that street.

Street assessments shall be based upon a maximum street width of 36 feet. Street widths greater than 36 feet shall be a city cost. Cost of construction of residential streets shall be based on six inches of base granular and 3 1/2 inches of pavement; cost of construction of commercial and industrial streets shall be based upon a 10-ton axle load. Oversizing costs which are incurred in excess of the above may be paid by: State Funds, larger assessment rates to other benefitted properties, general obligation funds, or any other method or combination of methods authorized by the City Council.

2. **New Construction.** New streets shall be assessed 100% to the benefitted properties.
3. **Street Reconstructions.** Street reconstructions shall be assessed 50% to the benefitted properties. New curb and gutter shall be assessed at 100%. "Street reconstruction" shall be defined to include removal and replacement of more than the top layer of the street.
4. **Street Rehabilitations.** Street rehabilitations shall be assessed 50% to the benefitted properties. "Street rehabilitation" shall be defined to include mill and overlays in which the top layer of the street or some portion thereof is removed by the grinding action of a milling machine and is replaced or supplemented with a new layer of bituminous pavement.
5. **Gravel streets.** Upgrading existing gravel streets by adding pavement, curb or gutter shall be considered new construction and all costs shall be assessed at 100%.
6. **Street Maintenance.** Costs for street maintenance, shall not be assessed to abutting property owners. "Street maintenance" shall be defined to include crack sealing, surface patching, seal coating or any other method in which the top layer of the street is not removed.
7. **Alleys.** Upgrading existing gravel alleys by adding pavement shall be assessed at 100% to all lots abutting on the alley.
8. **Curb and gutter improvements.** New curb and gutter shall be assessed 100% to abutting property owners regardless of whether the street construction is new construction or reconstruction. The benefitted properties shall be assessed based upon actual lot frontage.
9. **Driveways.** Driveway construction and street repair for service installation shall be assessed 100% to the benefitted property owner. Driveways shall be extended one (1) foot beyond the edge of the bituminous pavement by the City as part of the street improvement in areas where no concrete curb and gutter exists. Driveways

shall be replaced in kind (same surfacing) in areas where concrete curb and gutter exists or is installed.

B. Sidewalks and Trails.

1. **Sidewalk and Trail Defined.** A "sidewalk" shall be defined as a walkway that has a width of less than eight (8) feet. A "trail" shall be defined as a walkway that has a width of eight (8) feet or greater.
2. **Sidewalks.** New sidewalks shall be assessed 100% to benefitted properties. Reconstruction of a sidewalk (the replacement of a long section of sidewalk greater than ten (10) feet in continuous length) shall be assessed 50% to the benefitted properties. For purposes of this paragraph, benefitted properties shall include properties on both side of the street, based on lot frontage.
3. **Trails.** New trails and reconstruction of trails shall not be assessed. This policy recognizes the benefit to the entire community resulting from a trail system.

C. Storm Sewer Improvements.

1. **New Construction.** Storm sewers in new subdivisions shall be assessed **100%** to the developer. New storm sewers in existing subdivisions shall be assessed 100% to benefitted properties based upon the drainage area.
2. **Reconstruction.** Reconstructed storm sewer shall be assessed 50% to benefitted properties, based upon the drainage area.

D. Sanitary Sewer Improvements. Assessments for sanitary sewer in residential areas shall be based upon the cost of construction of 8 inch mains to a depth of no more than 25 feet. Assessments for sanitary sewers in commercial and industrial areas shall be based upon 12 inch mains.

1. **New Construction.** Sanitary sewers in new subdivisions shall be assessed 100% to the developer. New sanitary sewers in existing subdivisions shall be assessed 100% to benefitted properties, based upon actual lot frontage.
2. **Reconstruction.** The replacement of existing sanitary sewers shall be assessed 50% to benefitted properties, based upon actual lot frontage.
3. **Service Lines.** Individual service lines installed directly to specified properties shall be fully assessed directly to the benefitted properties. Any existing service lines found to be defective as part of a street reconstruction shall be replaced as part of the project and 100% assessed directly to the property.
4. **Trunk Improvements** - Oversizing cost of the sanitary sewer over and above a normal lateral sanitary sewer (12" and/or smaller) and extra depth of the sanitary sewer over and above a normal lateral sanitary sewer (25' deep and/or shallower) shall be paid by the City. Also all improvement costs associated with wastewater treatment, river crossings, railroad crossings, lift station and forcemain construction shall be considered Trunk Improvements.

- E. **Watermain Assessments.** Assessments for watermain in residential areas shall be based upon the cost of construction of 8 inch mains. Assessments for watermain in commercial and industrial areas shall be based upon 12 inch mains.
1. **New Construction.** Watermain in new subdivisions shall be assessed 100% to the developer. New watermain in existing subdivisions shall be assessed 100% to benefitted properties, based upon actual lot frontage.
 2. **Reconstruction.** The replacement of existing watermain shall be assessed 50% to benefitted properties, based upon actual lot frontage.
 3. **Service Lines.** Individual service lines installed directly to specified properties shall be fully assessed directly to the benefitted properties. Any existing service lines found to be defective as part of a street reconstruction shall be replaced as part of the project and 100% assessed directly to the property.
 4. **Trunk Improvements - Oversizing** cost of the watermain over and above a normal lateral watermain (8" and/or smaller) for residential properties and (12" and/or smaller) for commercial/industrial properties shall be paid by the City. Also, all improvement costs associated with water treatment, water storage, wells, pumping stations, river crossings, and railroad crossings shall be considered Trunk Improvements.
- F. **Street Boulevard Trees and Landscaping.** All street boulevard trees and landscaping installed as part of new street constructions or in reconstructing any existing improvement shall be included as part of the overall project costs included in the assessment calculations.
- G. **Street Lights.** All costs for new street lights installed as part of constructing new streets or street lights relocated as part of reconstructing streets shall be included in the overall project costs and included in the assessment calculations. In new subdivisions, the city may require the developer to finance street light improvements rather than assessing the cost.
- H. **Other Improvements.** Based on the City Council determination, any other improvements may be fully assessed or assessed in part.
- I. **Additional Benefit.** Notwithstanding the methods of computation set forth in this Subdivision 2, the City may assess or impose an additional assessment on a property or a designated area of similarly situated properties in the event that the city determines that the property or designated area of similarly situated properties, due to location or use, receives a special benefit to any improvement described in this Subdivision. Said property or designated area of similarly situated properties may be assessed even though they do not abut the public improvements to be assessed.
- J. **Limitation on Assessment.** No property shall be specially assessed for a public improvement in excess of the special benefit received by the property due to the public improvement. The City shall have the discretion to place a cap on proposed special assessments to the extent it determines that a proposed assessment exceeds the special

benefit. In applying this discretion, the City shall treat all similarly situated properties on a similar basis.

Section 4. Financing of Assessments. The City Council may direct the certification of the assessment role for payment in annual installments of principal and interest in either substantially equal payments of principal and interest or a fixed amount of principal per year. Interest on the assessments shall be determined on a project by project basis, but will typically be one (1) to two (2) percent above the average coupon on the bonds issued to finance the improvements for which the assessments are certified. Assessments shall typically be financed over fifteen (15) to twenty (20) years.

- A. **Deferred Assessments.** The Council may defer any assessments against a benefitted property by resolution. This deferment applies to homestead property owned by persons 65 years of age or older, or who is retired by virtue of permanent and total disability, for whom it would be a hardship to make payment. To apply for a deferment, interested applicants shall submit a form available from the City Clerk along with other information that the City Clerk may request in order to allow the City Council to make the determination that the applicant qualifies for this deferment. If the City Council grants deferment, the Clerk shall notify the County Auditor and County Assessor who shall in accordance with Minnesota Statutes Section 435.194 record a notice of the deferment with Rice County setting forth the amount of the assessment. Interest shall accrue during the period of deferment.

Said deferment shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following:

- I. The death of the owner provided that the spouse is not eligible for the deferment;
2. The sale, transfer, or subdivision of all or any part of the property;
3. The loss of homestead status on the property; or
4. The determination by the Council that payment or partial payment would not constitute undue hardship.

- B. **Partial Pre-Payment.** After the adoption of the assessment role by the City Council, the owner of any property specially assessed in the proceeding may, prior to the certification of the assessment to the County Auditor, pay to the City Treasurer any portion of the assessment and the remaining unpaid balance shall be spread over the period of time established by the City Council for the payment of the assessment in installments.

Section 5. Additional New Development Fees. In addition to the assessments set forth above, new developments shall incur the following additional fees which shall be set or modified by the City Council by resolution from time to time. New development shall be defined for purposes of this Section as any new development that changes the use or character of a property.

- a. **Annexation Deposit.** At the time of application for annexation into the City the owner shall pay a deposit based upon acres to be annexed. The Annexation Deposit shall be applied toward engineering and legal costs. Unused portions shall be refunded to the Developer.

- b. **Annexation Reimbursement.** At the time of application for annexation into the City the property owner shall reimburse the City for all compensation paid by the City to the township from which the land has been annexed.
- c. **Water and Sewer Connections.** Each water and sewer connection shall incur a fee payable to the City at the time of application for building permits based upon the sizing of the connection.
- d. **Trunk Fees.** All developments of property shall be required to pay trunk fees in relation to the use of the developed property and number of acres, lots, or units to be developed.
- e. **Land Donation.** In addition to other fees payable for a new development, a landowner shall be required to dedicate a percentage of the gross acreage of the property to the City as and for open space. At the discretion of the City, in lieu of a land donation the landowner may pay a percentage of the fair market value of the land to be developed, or some combination thereof.
- f. **Engineering Fee.** All public improvements in new developments shall utilize the City Engineer. The Developer shall reimburse the City for its engineering costs as a percentage of the total cost of the public improvements.
- g. **Administrative Fee.** All new developments shall be required to pay an administrative fee to the City based upon a percentage of the construction costs for the public improvements.

Plan for Veterans Park

A Master Plan has been developed for Veterans Park in 2016. This document is more of a reference than anything else for our points of discussion.

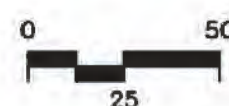
Larger issues moving forward are parking on the property.

- Bathrooms (\$200,000 to \$300,000 for water and sewer not including the building)
- Potential Parking for baseball games

We have discussed these at length and will continue to look at them as well in the future.



PAVED PARKING STALLS = 73
OVERFLOW PARKING STALLS = 48
TOTAL STALLS = 121



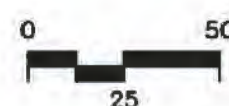
City of
Cokato

VETERANS PARK
CONCEPTUAL MASTER PLAN
CONCEPT A WITH 100' SETBACK FROM LAKE





PAVED PARKING STALLS = 67
OVERFLOW PARKING STALLS = 48
TOTAL STALLS = 115



City of
Cokato

VETERANS PARK
CONCEPTUAL MASTER PLAN
CONCEPT B WITH 100' SETBACK FROM LAKE



BOLTON & MENK, Inc.

August 9, 2016

Veteran's Memorial Park, Cokato, MN

Concept A or B

Preliminary Opinion of Probable Cost

		UNIT	QUANTITY	UNIT COST	TOTAL
Item	Proposed Amenities				
1	Mobilization	LS	1	\$35,000.00	\$35,000.00
2	Clear & Grub Tree	EACH	8	\$350.00	\$2,800.00
3	Clear & Grub Tree (Overflow Parking)	SY	3,100	\$3.00	\$9,300.00
4	Remove Existing Bollard	EACH	65	\$8.00	\$520.00
5	Remove Existing Pavement	SY	5,050	\$2.75	\$13,887.50
6	Relocate Existing Shade Structure	LS	1	\$6,500.00	\$6,500.00
7	Relocate Memorial/Flag Pole	LS	1	\$2,200.00	\$2,200.00
8	Relocate Maintenance Shed (approx. 12'x24')	LS	1	\$3,600.00	\$3,600.00
9	Gravel Overflow Parking Lot (126'x135', approx. 48 stalls)	SY	2,100	\$14.00	\$29,400.00
10	4" Bituminous Parking Lots & Roadway (approx. 73 stalls)	SY	3,600	\$26.00	\$93,600.00
11	4" Bituminous Trail within Park (8' wide)	LF	2,400	\$28.00	\$67,200.00
12	4" Bituminous DNR Boat Landing and Parking Lot	SY	400	\$26.00	\$10,400.00
13	4" Bituminous Boat Landing Road	SY	1,150	\$26.00	\$29,900.00
14	Concrete Sidewalk (behind backstop and at concessions area)	SY	1,400	\$40.50	\$56,700.00
15	Basketball Court Restoration	LS	1	\$6,500.00	\$6,500.00
16	Pedestrian Crosswalks	EACH	5	\$275.00	\$1,375.00
17	Vehicle Signing	EACH	18	\$185.00	\$3,330.00
18	Sewer Grinder Station	LS	1	\$85,000.00	\$85,000.00
19	Sewer Gravity Piping	LF	480	\$18.00	\$8,640.00
20	Sewer Forcemain Piping	LF	570	\$16.00	\$9,120.00
21	Water Service Piping	LF	1,050	\$22.00	\$23,100.00
22	Picnic Tables & Pad Area	EACH	10	\$700.00	\$7,000.00
23	Electricity & Lighting Upgrades	LS	1	\$45,000.00	\$45,000.00
24	Concessions/Restroom (approx. 24'x60')	LS	1	\$125,000.00	\$125,000.00
25	Raingarden	SY	2,500	\$2.75	\$6,875.00
26	Landsaping (Allowance)	LS	1	\$7,500.00	\$7,500.00
27	Irrigation System	LS	1	\$40,000.00	\$40,000.00
Construction Subtotal					\$729,447.50
Contingency (10%)					\$72,944.75
Legal, Engineering, and Administration Fees (20%)					\$145,889.50
Preliminary Total					\$948,281.75

BOLTON & MENK, Inc.

August 9, 2016

Veteran's Memorial Park, Cokato, MN**Concept A or B Phased**

Preliminary Opinion of Probable Cost

<i>Phase 1</i>		UNIT	QUANTITY	UNIT COST	TOTAL
Item	Proposed Amenities				
1	Mobilization	LS	1	\$12,500.00	\$12,500.00
2	Clear & Grub Tree (Overflow Parking)	SY	3,100	\$3.00	\$9,300.00
3	Gravel Overflow Parking Lot (126'x135', approx. 48 stalls)	SY	2,100	\$14.00	\$29,400.00
4	Sewer Grinder Station	LS	1	\$85,000.00	\$85,000.00
5	Sewer Gravity Piping	LF	480	\$18.00	\$8,640.00
6	Sewer Forcemain Piping	LF	570	\$16.00	\$9,120.00
7	Water Service Piping	LF	1,050	\$22.00	\$23,100.00
8	Electricity & Lighting Upgrades	LS	1	\$45,000.00	\$45,000.00
9	Irrigation System	LS	1	\$40,000.00	\$40,000.00
Construction Subtotal					\$262,060.00
Contingency (10%)					\$26,206.00
Legal, Engineering, and Administration Fees (20%)					\$52,412.00
Preliminary Total					\$340,678.00

<i>Phase 2</i>		UNIT	QUANTITY	UNIT COST	TOTAL
Item	Proposed Amenities				
1	Mobilization	LS	1	\$6,500.00	\$6,500.00
2	Relocate Existing Shade Structure	LS	1	\$6,500.00	\$6,500.00
3	Relocate Memorial/Flag Pole	LS	1	\$2,200.00	\$2,200.00
4	Relocate Maintenance Shed (approx. 12'x24')	LS	1	\$3,600.00	\$3,600.00
5	Concessions/Restroom (approx. 24'x60')	LS	1	\$125,000.00	\$125,000.00
Construction Subtotal					\$143,800.00
Contingency (10%)					\$14,380.00
Legal, Engineering, and Administration Fees (20%)					\$28,760.00
Preliminary Total					\$186,940.00

<i>Phase 3</i>		UNIT	QUANTITY	UNIT COST	TOTAL
Item	Proposed Amenities				
1	Mobilization	LS	1	\$14,000.00	\$14,000.00
2	Clear & Grub Tree	EACH	8	\$350.00	\$2,800.00
3	Remove Existing Bollard	EACH	65	\$8.00	\$520.00
4	Remove Existing Pavement	SY	5,050	\$2.75	\$13,887.50
5	4" Bituminous Parking Lots & Roadway (approx. 73 stalls)	SY	3,600	\$26.00	\$93,600.00
6	4" Bituminous Trail within Park (8' wide)	LF	2,400	\$28.00	\$67,200.00
7	4" Bituminous DNR Boat Landing and Parking Lot	SY	400	\$26.00	\$10,400.00
8	4" Bituminous Boat Landing Road	SY	1,150	\$26.00	\$29,900.00
9	Concrete Sidewalk (behind backstop and at concessions area)	SY	1,400	\$40.50	\$56,700.00
Construction Subtotal					\$295,882.50
Contingency (10%)					\$29,588.25
Legal, Engineering, and Administration Fees (20%)					\$59,176.50
Preliminary Total					\$384,647.25

<i>Phase 4</i>		UNIT	QUANTITY	UNIT COST	TOTAL
Item	Proposed Amenities				
1	Mobilization	LS	1	\$2,000.00	\$2,000.00
2	Basketball Court Restoration	LS	1	\$6,500.00	\$6,500.00
3	Pedestrian Crosswalks	EACH	5	\$275.00	\$1,375.00
4	Vehicle Signing	EACH	18	\$185.00	\$3,330.00
5	Picnic Tables & Pad Area	EACH	10	\$700.00	\$7,000.00
6	Landsaping (Allowance)	LS	1	\$7,500.00	\$7,500.00
7	Raingarden	SY	2,500	\$2.75	\$6,875.00
Construction Subtotal					\$27,705.00
Contingency (10%)					\$2,770.50
Legal, Engineering, and Administration Fees (20%)					\$5,541.00
Preliminary Total					\$36,016.50

Ambulance Purchase Options

Wright Hennepin Electric has offered to work with the City financing an ambulance with a low interest rate of 0% to 1% through the USDA program. There is not enough time to meet the deadline at the end of June, so the next funding period would start in September. This most likely would be completed between September and December 2024.

I have looked at other financing programs such as Rural Water micro loan but they might not appear to work as program fees of \$13,925 plus interest (4% to 5%).

Options

1. Continue to go through the USDA process, wait on the purchase until the loan is processed later this year.
2. Minnesota Rural Water Program Loan – Interest would have to be paid
3. Purchase in Reserves which would have to be paid back with 2025 property tax levy.

Note: A potential fall funding from the state of \$90,000 from this past Legislative Session.

Sheriff Contract Rates

Preliminarily the contract rates for the Wright County Sheriff's office were discussed with County Board members several weeks ago. The current rate in 2024 is \$105 per hour. The proposed 2025 and 2026 rates with the County would be the following.

2024 - \$105 (4,380 hours per year) Total \$459,900
2025- \$110 (4,380 hours per year) Total \$481,800
2026 - \$115 (4,380 hours per year) Total \$503,700

I am getting clarification from the County when hours of service could be discussed again with the contract.

Travel and Training Policy

Enclosed is a Travel and Training policy for the City as it pertains to conferences etc. The Personnel Committee and myself have reviewed the policy and I would recommend its adoption.

CITY OF COKATO TRAVEL AND TRAINING POLICY

PURPOSE

It is the purpose of this policy statement to establish adequate internal controls to satisfy Internal Revenue Service (IRS) regulations, State laws, and to provide a framework to use as a guide to prescribe circumstances for which travel reimbursement or travel purchasing card transactions will be authorized. Only claims for accommodations and services actually incurred or in accordance with the Standard Federal Per Diem Rate in the case of meals and incidental expenses would be reimbursed once the Travel Expense Report has been approved. Employees are expected to utilize the same care when incurring official expenses that a prudent person would utilize if traveling on personal business.

City Reimbursement of Travel Cost.

The City will pay or reimburse all travel costs that are both reasonable and necessary. All persons conducting official City business are expected to show good judgement in the nature and amount of expenses incurred while conducting City business. Per Minnesota Statue, purchase of alcoholic beverages cannot be reimbursed. Travel must be by the most direct or normally traveled route unless approved in advance by the employee's supervisor. Reimbursement will be limited to the cost of travel by direct route or on an uninterrupted basis. The employee will be responsible for any additional cost exceeding the business purpose related expense.

The following expenses may be approved for reimbursement:

- **Transportation** – Any out of state training or travel must be pre-approved by the City Administrator, or the City Council in the case of out-of-state training opportunities for the City Administrator.
- **Travel by Automobile** - When traveling in a City vehicle, the employee should use a City assigned purchasing card for fuel expenses or their own credit card if a City purchasing card is not available. Due to potential liability considerations, transportation of persons not on official City business is prohibited in City Vehicles. The City of Cokato encourages individuals to carpool when possible.

When personal automobiles are used as a mode of transportation for travel, reimbursement will be reimbursed at the current IRS mileage reimbursement rate. Payment of mileage will be based on the most direct route from the point of departure to the point of destination. The City is not responsible for damage to personal vehicles while on official business, as the employee's vehicle is not covered by the City's insurance coverage.

Lodging – Hotel or motel accommodations should be appropriate to the purpose of the trip. Lodging should be chosen based on reasonableness of cost and proximity to the conference, meeting, or training site.

Each employee shall be allowed an individual single room. Where multiple occupancy by other than City employees/official occurs, only the actual cost of the single room rate (if different from the double room rate) may be claimed for reimbursement.

Detailed lodging receipts must be submitted for reimbursement. The receipts must include the nightly room

rate and any incidental expenses charged. Only incidental costs related to the room charges will be reimbursed.

Unless previously approved by the City Administrator, overnight stays within 60 miles of the City of Cokato will not be reimbursed.

Meals – Expenses for breakfast, lunch, dinner, snacks and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons) shall be reimbursed at a rate of \$75 per day (\$20 Breakfast, \$25 Lunch, \$30 Supper). The City will not reimburse for Tips.

- When an event encompasses a full day, employees may spend the daily allowance among the three meals, at their discretion, unless meals are included as part of the event registration. In that case, the money allotted for that meal cannot be spent.
- For partial days, the meal allowance will not exceed the amounts set separately for breakfast, lunch, or dinner.
- Detailed receipts will be required for reimbursement (also for any meals purchased with a City Purchasing card) upon return from the event. Receipts must clearly state the date, location, and item(s) ordered. Non-itemized receipts will not be reimbursed.

City Reimbursement of Travel Costs that do not Require Overnight Travel

Travel plans involving expenses that do not require overnight travel accommodations will be reimbursed based on actual cost substantiated by appropriate receipts. The employee is entitled to reimbursement of meal expenses after submitting actual receipts. No reimbursement is authorized if meals are provided during the meeting or event unless previously approved by the City Administrator. This includes training or meeting within 60 miles from the City.

Other

Falsification of travel documents/expense reporting, resulting in overpayment of the City's assets, may cause for disciplinary action.

It is the employee's responsibility to:

- Maintain accurate records;
- Make a conscious effort to minimize expenses while maintaining an adequate level of comfort and convenience;
- Request reimbursement in an accurate and timely manner, 30 days or less.

Demographer's Estimate

The Demographer Estimates is actually projecting the City decreasing in population over last year. We have contacted the State Demographer asking them why the City has decreased in population in the past year as estimates are provided for April 1, 2023.

The following data was provided to the Demographers office in terms of new building permits.

A summary our housing units stayed the same, but the household population size was slightly decreased. Based upon the methodology I do not see the estimate changing.

The new residential building permits totals are the following:

2021 - 3 Homes

2022 – One home replaced from seasonal cabin to permanent single-family dwelling

2023 - 2 New Homes and 5 Mobile Homes Replaced

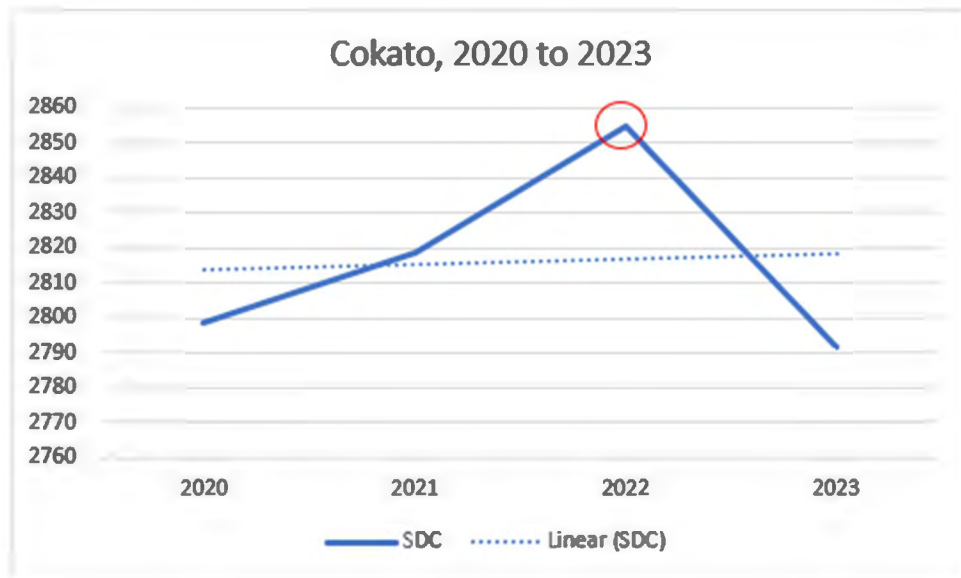
From the Demographers office.

Mr. Potter,

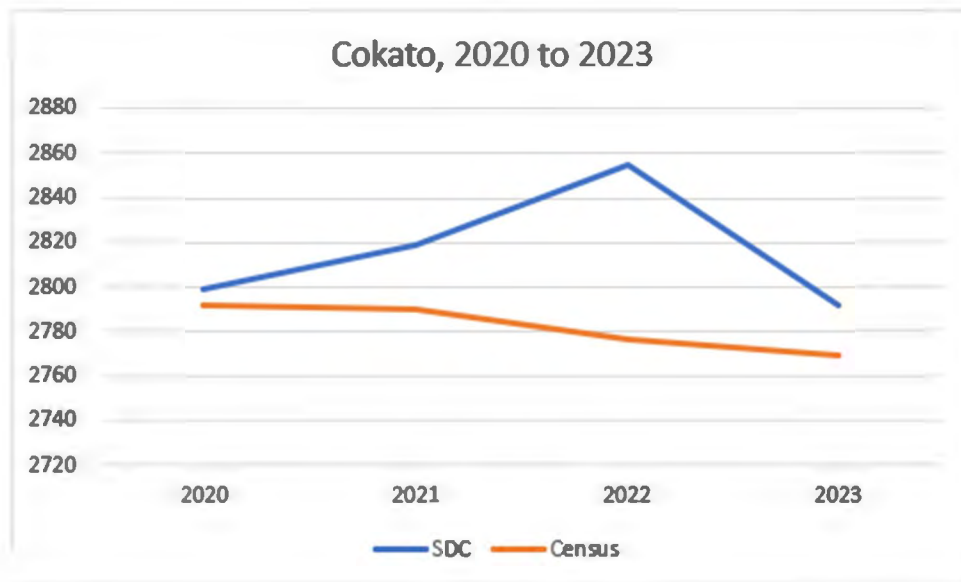
Thank you for your engagement with the estimates process.

Broadly speaking when we see an area increase in households and decrease in population, we interpret that as a change in the person per household. I know you are specifically mentioning that you believe the PPH stayed the same, so that would be a circumstance were I would encourage a challenge to the estimates to improve them for Cokato.

When I was reviewing the process I use to produce the estimates, I found an error in last year's estimate procedure. The process last year did not fully account the population dynamics at work in the area and allowed the estimate to float unusually high. I agree that comparing last year's estimate to this year's estimate looks like a large departure, but when we look at the trend from 2020, we can see that it was actually last year's estimates that was an issue.



I do not peg my city estimate to the Census Bureau's estimate for Cokato, but they usually track fairly close together, as would be expected. When I compare the Census Bureau's trend to my trend, again it is my estimate from last year that is an issue.



When I look at the local data I have for Cokato, I did not get a response on my request for building permits, so I had to go with data I can access from the Department of Revenue. Those data showed the household loss that you see reflected. That would account for loss of a few people, but I also use a summary measure to help account for migration and natural change in the population, and that process can affect the household population while not decreasing number of households. That part of the process is where I am seeing some declines in Cokato. The losses look much larger because of the overestimation last year.

I will be the first to acknowledge that the estimates are not perfect, which is why there is a process of local cities and townships to challenge the estimates. I will take any additional data you have and process a challenge to the data as I would in any year. If you are able to provide data that I can use to justify a change to the population estimate, I will be happy to work with you in any way I can.

Please let me know if you have any other questions.

Thank you,

Eric A. Guthrie, PhD
Senior Demographer
Minnesota State Demographic Center
651-201-2474
Eric.Guthrie@state.mn.us

City	Year	Population	HH	Per HH	Calculated HH	Household Pop	Group Quarters Pop
Cokato	2000	2727	990	2.65	2.75	2624	104
Cokato	2001	2762	1003	2.66	2.75	2668	94
Cokato	2002	2745	1006	2.63	2.73	2646	99
Cokato	2003	2721	1003	2.62	2.71	2628	93
Cokato	2004	2719	1007	2.61	2.70	2628	91
Cokato	2005	2726	1013	2.60	2.69	2634	92
Cokato	2006	2734	1024	2.58	2.67	2642	92
Cokato	2007	2727	1027	2.58	2.66	2650	77
Cokato	2008	2749	1039	2.57	2.65	2670	79
Cokato	2009	2760	1049	2.56	2.63	2685	75
Cokato	2010	2694	1000	2.61	2.69	2610	84
Cokato	2011	2721	1011	2.61	2.69	2639	82
Cokato	2012	2733	1014	2.61	2.70	2647	86
Cokato	2013	2742	1016	2.61	2.70	2652	90
Cokato	2014	2742	1017	2.61	2.70	2654	88
Cokato	2015	2747	1019	2.61	2.70	2660	87
Cokato	2016	2753	1021	2.61	2.70	2666	87
Cokato	2017	2757	1023	2.61	2.70	2670	87
Cokato	2018	2762	1025	2.61	2.69	2675	87
Cokato	2019	2764	1026	2.61	2.69	2677	87
Cokato	2020	2799	1054	N/A	2.66	2702	97
Cokato	2021	2819	1062	2.56	2.65	2722	97
Cokato	2022	2855	1066	2.59	2.68	2758	97
Cokato	2023	2792	1065	2.53	2.62	2695	97

Per HH is the amount indicated the State Demographer Page

Calculated HH is the population divided by the Household

Community Foundation

I met the Initiative Foundation from Little Falls and they may come to discuss a possible Community Foundation with the City which would allow people to donate funds to a foundation that would have a specific mission for resources in the City. I think this may be a different way of funding community projects as well.

City Administrator

Currently my position is a contract position with the City with a rate of 62.71 per hour. In looking at historical increases, I have only increased the billable hourly rate from \$59.63 (2020) to \$62.61 a 5% increase in (2022). I would propose increasing this amount 8% due to inflationary and cost of living issues which would be \$67.62, a \$5.01 increase per hour.

Another option discussed with the Personnel Committee in which I would become an employee of the City of Cokato as City Administrator. Like other employees the City would pay the employee share of Social Security, Medicare and PERA. The City would compensate me \$52.50 per hour with a 40 hours week, I would still work remotely two days a week.