

**CITY OF SHOREVIEW
AGENDA
REGULAR CITY COUNCIL MEETING
JUNE 16, 2014
7:00 P.M.**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF AGENDA

PROCLAMATIONS AND RECOGNITIONS

CITIZENS COMMENTS - *Individuals may address the City Council about any item not included on the regular agenda. Specific procedures that are used for Citizens Comments are available on notecards located in the rack near the entrance to the Council Chambers. Speakers are requested to come to the podium, state their name and address for the clerk's record, and limit their remarks to three minutes. Generally, the City Council will not take official action on items discussed at this time, but may typically refer the matter to staff for a future report or direct that the matter be scheduled on an upcoming agenda.*

COUNCIL COMMENTS

CONSENT AGENDA - *These items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*

1. June 2, 2014 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes--
--Bike and Trails Committee, June 5, 2014
3. Monthly Reports
--Administration
--Community Development
--Finance
--Public Works
--Park and Recreation
4. Verified Claims
5. Purchases

6. Comprehensive Sign Plan—Dave Kroona, 3854 Lexington Avenue
7. Appointment to the Minnesota Metro North Tourism Board
8. Award of Bid—2014 Street Seal Coat, CP 14-4

PUBLIC HEARING

GENERAL BUSINESS

9. Resolution Ordering Preparation of and Establishing Cost Participation Policy for a Preliminary Engineering Report for Turtle Lake Augmentation
10. Amendment to Agreement with SEH, Inc.—Railroad Quiet Zones
11. Comprehensive Plan Amendment—Surface Water Management
12. Weed Abatements
 - 1729 Lois Drive
 - 417 Majestic Court
 - 348 Lilac Lane
 - 1066 Carlton Drive
 - 4711 Laura Lane
 - 4476 Lexington Avenue North
 - 169 Demar Avenue
 - 5977 Grotto Street North
 - 4324 Snail Lake Boulevard
 - 625 Mound Avenue
13. Cable Franchise—Resolution 14-36 Adopting a Preliminary Assessment that the Comcast of Minnesota, Inc. Cable Franchise Should Not Be Renewed

STAFF AND CONSULTANT REPORTS AND RECOMMENDATIONS

SPECIAL ORDER OF BUSINESS

ADJOURNMENT

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
June 2, 2014**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on June 2, 2014.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, and Wickstrom.

Councilmember Withhart was absent.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the June 2, 2014 agenda as submitted.

VOTE: Ayes - 4 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

Mr. Steve Hanson, 1549 Knoll Drive, stated that he has two ash trees that are healthy but found an ash borer trap in one of his trees. He was given no advance notice of its placement. When he called the City, the staff person was very polite and explained the reason for the trap. He asked what Shoreview's plan is for the future for ash borer and his hope that the City does not cut the trees down. There is a treatment plan that can be used.

City Manager Schwerm explained that the City's policy toward emerald ash borer is to remove boulevard trees that are declining and replace them with a more diverse tree species. The City's policy is not to systematically take down trees. Shoreview is one of the only cities to adopt an ash tree treatment program to inject trees. Interns are hired in the summer to do the injections. Property owners are only charged for the approximately cost of the chemical. He acknowledged that the ash borer is increasing in Mr. Hanson's neighborhood and residents are encouraged to participate in treatment of their trees in order to protect their trees.

Councilmember Quigley asked the cost of treating a tree. Mr. Schwerm stated that residents can contact the Environmental Officer for detailed information. The cost is based on the diameter inch of the tree. He estimated the City's cost at \$3 to \$5 per diameter inch depending on the size of the tree.

Councilmember Wickstrom added that the Tree Trust is working on a tree inventory for the City and is seeking individuals to help with this project. Another pest beetle is coming that will impact four or five different kinds of trees. The inventory will be very important for protecting trees that will be susceptible to this new disease. Anyone interested in helping with the inventory can contact Karen Zumac at 952-767-3886 or at karenz@treetrust.org.

COUNCIL COMMENTS

Mayor Martin:

Beginning June 16th, Victoria Street at County Road E will be closed for work on the railroad crossing. The work is expected to take approximately two weeks and will qualify the crossing to be a rail quiet zone. Also, Representative Isaacson announced at the last meeting that funding has been secured to create quiet zones at the crossing at North Owasso and Jerrold Avenue crossings.

The Farmers' Market will open Tuesday, June 17, 2014.

Councilmember Wickstrom;

Thank you to the members of the Shoreview Green Community group who weeded and mulched the rain garden by Island Lake Park and near the pavilion in the Commons.

Councilmember Johnson:

The summer Concert in the Commons Series will begin Wednesday, June 18, 2014, at 7:00 p.m. The opening concert will feature *Divas through the Decades* performing a musical tribute to influential female artists.

The groundbreaking for the *Playground for Everyone* will be Friday, June 6, 2014, 4:00 p.m.

On June 12, 2014, the City Council and Economic Development Commission (EDC) will host a Business Exchange at the Hilton Garden Inn, from 5:00 to 7:00 p.m.

CONSENT AGENDA

Item Nos. 2 and 12 were pulled for separate discussion:

2. May 19, 2014 City Council Meeting Minutes: Councilmember Wickstrom noted a correction to Ms. Sprain's name--Jan Sprain, not Jen Sprain.

12. Election Judge Salary Increase: Councilmember Johnson requested further explanation of the significant increases for election judges from \$7.50 to \$9.50, and head judges from \$8.75 to \$11.50. Mr. Schwerm stated that increases are being given for two reasons: 1) to keep up with the minimum wage; and 2) to pay at a similar level of other cities and Ramsey County. A 20% increase was budgeted.

MOTION: by Councilmember Johnson, seconded by Councilmember Wickstrom to adopt the Consent Agenda for June 2, 2014, and all relevant resolutions for item No. 1 through 12:

1. May 12, 2014 City Council Workshop Meeting Minutes
2. May 19, 2014 City Council Meeting Minutes, as corrected
3. May 19, 2014 City Council Workshop Minutes
4. Receipt of Committee/Commission Minutes:
 - Planning Commission, April 22, 2014
 - Human Rights Commission, April 23, 2014
 - Environmental Quality Committee, May 27, 2014
5. Verified Claims in the Amount of \$623,870.09
6. Purchases
7. Adopt Sign Management and Retro-Reflectivity Policy
8. Developer Escrow Reduction
9. Amendment for Professional Services Agreement - Owasso St. Realignment, CP 09-12
10. Award and Installation Quote for 2014 Street Light Replacements, CP 14-03 and Hanson/Oakridge, CP14-01
11. 2014 Trail Construction and Reconstruction, CP 14-05
12. Approval of Election Judge Salary Increase

VOTE: Ayes - 4 Nays - 0

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS

ACCEPT THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

Presentation by Finance Director Fred Espe

Three reports are issued through the financial audit: 1) Legal Compliance Audit; 2) Management Report; and 3) Comprehensive Annual Financial Report and Opinion.

The Legal Compliance Audit consists of an extensive review of the following:

- Contracts and bidding
- Deposits and investments
- Conflicts of interest
- Public indebtedness
- Claims and disbursements
- Miscellaneous provisions
- Tax increment financing

There were no findings for 2013, which means the City is in compliance in all of the above categories.

The Management Report consists of an auditor's report to the City Council that discusses the following:

- Audit summary
- Governmental funds overview
- Enterprise funds overview
- Government-wide financial statements
- Legislative updates
- Accounting and auditing updates

No audit issues were identified.

The Financial Report reviews the following City funds:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Agency Fund

In 2013, revenues exceeded the budget by \$696,769, mainly as a result of the following:

- Strong tax collection--99.5%
- Building permit revenue exceeded budget by \$309,000
- Capital project administrative charges exceeded budget by \$146,000 for infrastructure built in the City during 2013.
- State Fire Aid was received in the amount of \$206,815, which is passed through to the Lake Johanna Fire Department. Previously, this was budgeted as an agency expense. In the future, this item will be budgeted as both a revenue and expense.
- Interest earnings are under budget because accounting principles require the City to adjust investments held to market value at year end. The City invests in fixed income securities, such as Fannie Mae and Freddie Mac. It is the City's policy to carry investments to maturity so there is no loss of principal.
- Plan check fees and rental license fees exceeded budget by \$87,000

General Fund expenditures exceeded the budget by \$111,709. The City's policy to transfer a portion of the General Fund at year end exceeded the budget by \$417,000. The transfer was put in the Street Renewal Fund. If the State Fire Aid were taken out, the City's actual expenditures are below budget for 2013.

The minimum General Fund balance is calculated using property tax revenues and state aid. A significant source of revenue in the General Fund is property taxes, which are collected in July and December. In order to meet cash flow needs, it is necessary to designate a portion of cash flow at year end to meet expenses from January to June of the next year. That designation is 50% of the following year's tax levy. The City collects no state aid. From the 2014 budget, 10% is designated for any unanticipated expenditures. No special designations were made for 2014. The General Fund balance increased by \$167,597 from 2012 to 2013 in accordance with the City's policy.

All special revenue funds had positive operations for 2013, except for Cable Television. The reason is the improvements to the Council Chambers, which was a planned decrease.

Utility funds also experienced positive operating income. Gallons of water sold were about 4% higher than estimated. Significant capital contributions were received in 2013. These are assets constructed by governmental funds and then given to the Water or Sewer Funds, which shows revenue for that portion of assets.

Debt balances increased from \$24,055,000 in 2012 to \$30,965,000 in 2013. In 2013, the City issued a refunding bond issue of \$2,900,000. Proceeds went into an escrow account. Accounting principles require the City to show both the old debt and the new refunding debt on the books. When the call date occurs on the bonds, they will be paid off and removed from the books. The City saved \$291,484 in interest on old debt as a result of the refunding issue. The City's bond rating remains at AAA. A total of \$9,835,000 of debt was issued in 2013, which included the refunding bonds, street reconstruction bonds, capital improvement bonds and utility revenue bonds.

The City received the Certificate of Achievement in Excellence in Financial Reporting for the 28th consecutive year. The City's unemployment rate is 3.9% compared to 5.1% for the state and 7.4% nationally.

This report is distributed to the following agencies:

- State of Minnesota
- Bond rating agency
- Government Finance Officers Association for the Certificate of Achievement
- Springsted, the City's financial advisor
- Public library for public review
- City website

Staff is recommending acceptance of the financial report. The auditors have offered to meet with the Council in a workshop discussion if requested.

Mayor Martin noted that no concerns were raised by the auditor, and no recommendations were made to change any practices.

Councilmember Quigley suggested a workshop discussion, as the document is 175 pages and contains a lot of detail. City Manager Schwerm stated that he will schedule a workshop meeting with the auditor in July or August.

MOTION: by Councilmember Quigley, seconded by Councilmember Johnson to accept the comprehensive annual financial report for the fiscal year ended December 31, 2013.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Martin
Nays: None

APPROVAL OF LIQUOR LICENSE RENEWALS

Presentation by City Manager Terry Schwerm

All liquor licenses in the City run from July 1 to June 30, and are, therefore, up for renewal. Staff is recommending renewal of all licenses.

Criminal background checks have been conducted. No significant issues have been reported. Staff also reviewed police calls to the businesses and found no significant concerns. License insurance and fees have been received from each business. All property taxes and utilities are current for each of these businesses.

Mr. Schwerm noted a license transfer at Bacchus Wine and Spirits. Originally, the license was granted to Diane Low in 2001. In 2007, the license was transferred to her son, Steven Low. At this time, Ms. Low is requesting the license be transferred back into her name. All necessary paperwork for the transfer has been completed.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to approve the following liquor license renewals for the license term July 1, 2014 through June 30, 2015:

Establishment	Type of License
Green Mill Restaurant	On Sale Intoxicating and Sunday
Meister's Bar and Grill	On Sale Intoxicating and Sunday
Hilton Garden Inn	On Sale Intoxicating and Sunday
Red Robin Gourmet Burger and Spirits	On Sale Intoxicating and Sunday
Bacchus Wine and Spirits	Off Sale Intoxicating
Back Yard Liquor	Off Sale Intoxicating
Rice Creek Liquor	Off Sale Intoxicating
Trader Joe's	Off Sale Intoxicating
JJ's Wine and Spirits	Off Sale Intoxicating
Target	Off Sale 3.2 Malt Beverage
Rainbow Foods	Off Sale 3.2 Malt Beverage
Island Lake Golf Course	On Sale 3.2 Malt Beverage
Mansetti's Pizza and Pasta	On Sale 3.2 Malt Beverage and Wine
Wok Cuisine	On Sale 3.2 Malt Beverage and Wine
Red Ginger China Bistro	On Sale 3.2 Malt Beverage and Wine
Chipotle Mexican Grill	On Sale 3.2 Malt Beverage and Wine

ROLL CALL: Ayes: Quigley, Wickstrom, Johnson, Martin
Nays: None

AUTHORIZATION TO TERMINATE MEMBERSHIP IN THE NORTH SUBURBAN COMMUNICATIONS COMMISSION

Presentation by City Manager Terry Schwerm

The City has been a member of the North Suburban Communications Commission (NSCC) since 1982 through a Joint Powers Agreement with 9 other cities in the north metro area. The purpose of the agreement is to monitor operations and activities of the cable system; administer the franchise; and develop community cable television programming. Community programming is done by NSCC's sister organization, the North Suburban Access Corporation (NSAC). NSAC receives approximately \$1.5 million per year in Public Education and Government (PEG) fees collected from cable subscribers at the rate of \$4.15 per subscriber each month. The NSCC budget is approximately \$350,000 per year and funded primarily through contributions from the 10-member cities. Shoreview contributes approximately \$70,000 per year to NSCC. The franchise renewal process is specific in Federal law.

For the past few years, the NSCC has been engaged in the franchise renewal process, which included a technical review of Comcast's performance and a needs assessment. Negotiations were begun in an informal process, however, because the two parties are not in agreement and negotiations were not making progress, the NSCC voted to initiate the formal renewal process. This required the submittal of formal proposals from both the NSCC and Comcast. The formal process means that certain timelines would be triggered for the City to accept or preliminarily deny Comcast's franchise proposal. The deadline for acceptance or denial is June 20, 2014. The NSCC is recommending that all member cities preliminarily deny the proposal. If a city were to choose not to vote for either acceptance or denial, it would be interpreted as an acceptance of Comcast's proposal. Mr. Schwerm noted that Councilmember Wickstrom, Shoreview's representative to the NSCC, voted against the recommendation that cities preliminarily deny Comcast's proposal. If the proposal is preliminarily denied, the next step would be an administrative hearing before an administrative law judge. Results of the hearing could be appealed to either state or federal court.

During the formal process, informal negotiations have continued, but no agreement has been reached. The three major issues of disagreement in the negotiations are:

1. **PEG Funding:** A Federal Communications Commission (FCC) ruling states that Comcast is no longer required to provide operations support for public access as part of the franchise renewal. The requirement is only to provide reasonable capital support for public, education and government access. Operational support for PEG programming is typically provided by contributions from franchise fees by cities. However, the public access model at NSAC has been operation support from PEG fees, which has allowed significant public access programming. This is the major issue in franchise renewal negotiations.
2. **Number of PEG Channels:** Comcast currently dedicates eight channels for public education and government access. In its renewal proposal, Comcast is offering four channels (3 in standard definition, 1 in high definition), and an opportunity to add a fifth channel based on usage of the four.
3. **Institutional Network:** Comcast has constructed an institutional network (I-net) to connect all of the cities in the franchise. I-net provides for dedicated use of a small part of Comcast's network by the 10 cities. However, federal regulations do not require Comcast to provide free use of this network beyond PEG access use.

The City Council has discussed these issues with both the NSCC representatives and Comcast representatives and directed staff to prepare a motion to withdraw from NSCC due to the following reasons:

1. Amount of money spent on franchise administration and oversight--the 10 cities in the NSCC spend significantly more than other cities and other cable commissions.
2. Relationship between NSCC and Comcast which has been strained.
3. Changing nature of public access programming as a result of changing technology.

If the City were to withdraw from NSCC, Shoreview residents would lose the ability to use the public access studio operated by NSCC. The City would also need to purchase equipment for City programming and webstreaming to provide City Council and Planning Commission meetings. This would be an additional capital cost to the City. If the City chooses to withdraw from NSCC, there would be reduced administration and oversight, and the City would have less bargaining power with Comcast as a smaller subset of the NSCC. However, the City would retain all of its franchise revenue and increase its revenue by the \$70,000 now paid to NSCC. The City would also retain any PEG fees.

The Joint Powers Agreement requires that the City indicate its intent to withdraw from the Commission by October 15, 2014. If the Council votes to withdraw, it would not be effective until the end of the year. The City also has the right to rescind its withdrawal prior to the end of the year. The City has paid its full dues to NSCC for 2014. Withdrawal also forfeits any claims to equipment or any assets owned by the NSCC.

Mayor Martin stated that the NSCC is made up of the 10-member cities. It is important to note that the actual franchise agreement with Comcast is with the cities, not the NSCC. Shoreview is concerned with relationships with the other cities. All 10 cities met earlier in the day that was very productive. The other member cities have requested that Shoreview delay opting out of NSCC and continue to work with them in the process. Many of Shoreview's concerns are also concerns of the other cities. There is agreement that the franchise agreement oversight could be handled more efficiently and economically. Her recommendation is to table this issue indefinitely in light of the meeting with neighboring cities. The City still has until October 15, 2014 to opt out of NSCC, if it is desirable. The City would also have to make a decision on the NSCC recommendation to preliminarily deny Comcast's offer by June 20, 2014.

Councilmember Wickstrom stated that the City Manager's report is based on how operations currently exist. The losses will likely be losses under a new franchise agreement. It is important to realize that Comcast does not pay PEG fees for public access. The customers pay the PEG fee of \$4.15 per month per customer. That will change. In the past that money could be used for equipment and operating money. New FCC regulations state that the money can now only be used for capital expenses. That will be a significant change.

Councilmember Wickstrom stated that she is greatly encouraged by recent responses from the other member cities. She would like to see a new governance model. The franchise agreement is between the cities and Comcast, not NSCC and Comcast. NSCC operates on behalf of the cities based on the Joint Powers Agreement. She would be willing to support a motion to table a decision to withdraw from NSCC. However, she would like it to be clear that meetings are expedited to set up a new governance structure for NSCC and NSAC so they are more

accountable to the cities who have the contract and the customers paying the bills. If enough progress is not made to convince Comcast to postpone the June 20 deadline for voting to accept or preliminarily deny, no matter how the City votes, there will be legal battles.

Councilmember Johnson commended Mayor Martin and City Manager Schwerm for their leadership in bringing the 10 cities together on the critical issues of expenses and the future. Her concern is mostly with the relationship with NSCC and is pleased that there is collaborative action.

Mayor Martin stated that all mayors of the 10 cities have made a huge commitment to this process. While there is a potential loss of public access, there are other models for how the system can work. She added that it is difficult to vote for a renewal for 10 years when technology is changing so fast. People are finding different ways to watch TV and get the programming they want. She does not believe an agreement at this time would be relevant for 10 years.

Councilmember Wickstrom noted that the current contract is based on technology that is 16 years old. It is important to make sure the contract does not specify technical systems that may soon be out of date.

Mr. Schwerm stated that NSCC also discussed a shorter franchise agreement of five or seven years but Comcast does not support that. One downside to that is that franchise renewal begins approximately three years before the end of the franchise. He stated that city managers will meet within the next two weeks, but it will not be possible to have a new governance model by that time. He is encouraged by most recent informal negotiations with Comcast and noted that the tenor of the negotiations have changed some due to a new attorney representing the NSCC.

Mayor Martin stated that the goal is to reach an agreement so there will not be an administrative hearing before an administrative law judge, which would most likely be appealed and throw the process into legal action. This is why Shoreview discussed opting out, so as not to be part of long-term ongoing legal action.

Councilmember Wickstrom stated that it is very frustrating that in the last three years informal negotiations have not resulted in an agreement, which led to the formal process and now 18 days to make a decision.

MOTION: by Councilmember Quigley to table this new proposed motion in light of the next triggering event in this complicated calendar.

The motion died for lack of a second.

Discussion:

Mayor Martin asked if the Council needs a motion to table, or if the proposed motion can be ignored. City Attorney Kelly explained that there are a number of ways to call the motion. The proposed motion could be made and die for lack of a second, or the Chair could call for a motion that is not made, or the motion could be tabled as an agenda item, which, he believes, is cleaner and clearer in the record. Tabling should be tabled to a specific date.

Councilmember Quigley stated that not knowing the time specific, he used the next triggering date in his motion but would defer to the language proposed by the City Attorney.

Councilmember Wickstrom stated that by June 16th, the Council must accept Comcast's proposal or deny it and proceed with legal actions. In order to prevent that, significant progress must be made to stop the formal process. She does not want to see the City stuck in a position of not being able to opt out and have its own franchise agreement with Comcast, if no progress in negotiations is made. She wants Shoreview to have an agreement with Comcast either through the NSCC or on its own and not have to confront the decision of acceptance or denial, as is now proposed.

Councilmember Johnson stated that in light of the new cooperation among the 10 cities, there is leverage to ask Comcast for an extension.

Mr. Schwerm stated that the City would still be able to opt out on June 16th, but he does not believe it is realistic to expect a new agreement or new governance structure within the next two weeks because there are other issues besides the major ones identified. Unless Comcast grants an extension based on this new information, he believes the City will have to take the action to preliminarily deny. Even though that triggers the administrative hearing process, Shoreview could still decide to opt out. He believes informal negotiations will continue, and agreement is possible before an administrative hearing can take place.

Councilmember Wickstrom asked how much time it might take to get an administrative hearing.

Mr. Mike Bradley, NSCC Counsel, stated that he is not sure what time it would take to get an administrative hearing. All 10-member cities have to make a preliminary decision to accept the proposal or preliminarily deny it. Comcast then has the option of requesting an administrative hearing. There would be pre-hearing matters between the attorneys. Recommended findings from the administrative law judge would go back to all member cities for final action. There will be a full record transcribed by a court reporter. He would estimate that it would be fall or winter before that process might be completed. He noted that the League of Minnesota Cities has agreed to defend the NSCC through that process so many of the legal fees would be covered.

Mayor Martin asked if an appeal would go to district court or federal court. Mr. Bradley explained that the findings from the administrative law judge would go to NSCC who would make recommended findings to the 10-member cities. The cities will also receive the judge's findings and court record of the proceedings. Each city again would vote on that recommendation. He believes an appeal would go to federal court.

Mr. Schwerm noted that the issue before the administrative law judge will be whether Comcast is in default of its current franchise agreement. He believes the Council will have information on its concerns with NSCC and can decide to opt out at any time before October 15.

Councilmember Wickstrom stated that the important decision is not to opt out of NSCC. The important decision is to get an agreement with Comcast. The only reason the City would opt out of NSCC is if NSCC cannot come to an agreement. Mr. Schwerm stated that by September the City will know if informal negotiations are succeeding. At that time, the Council can still vote to opt out and negotiate directly with Comcast before the end of the franchise agreement at the end

of November. He suggested the motion be made to table this matter until the September 2, 2014, Council meeting.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to table consideration of Shoreview's intent to withdraw from the North Suburban Communications Commission to August 18, 2014.

ROLL CALL: Ayes: Wickstrom, Johnson, Quigley, Martin
Nays: None

ADJOURNMENT

MOTION: by Councilmember Johnson, seconded by Councilmember Quigley to adjourn the meeting at 8:32 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE ___ DAY OF _____ 2014.

Terry Schwerm
City Manager

SHOREVIEW BIKEWAYS & TRAILS COMMITTEE

Meeting Minutes

June 5, 2014

1. CALL TO ORDER

The meeting was called to order at 7:00 p.m.

2. ROLL CALL

Members Present: Keith Severson, Mark Stange, Craig Mullenbach, Jay Martin, Ted Haaf, Judd Zandstra, Muriel Zhou

Members Absent: Craig Francisco

Guests: None

City Staff: Charlie Grill

3. APPROVAL OF AGENDA

The committee agreed and approved the updated agenda.

4. APPROVAL OF MEETING MINUTES

The minutes of the May 1, 2014 meeting were reviewed and approved by consensus of the Committee.

5. COMMITTEE DISCUSSION ITEMS

The committee began with reviewing job responsibilities for the Tour de Trails. Committee members were broken in to three groups; sign posting, water stop table and registration. The committee also picked times for members to manage the SLICE booth. The goal was to have two members at the tent as long as the event was open. Each day, with the exception to Friday, had a morning and afternoon/evening slot. Each slot has two members signed up with others agreeing to assist as needed.

Jay has continued to be in contact with the State regarding biking swag for giveaways. He will be picking up those items as we get closer to July. Flyers and brochures were handed out and members will be placing them in bike shops and other public notice areas. The Tour de Trails event will also be advertised on the TV system at the community center, highway 96 notice board and the Shoreview website.

The meeting was adjourned at 7:45 PM.

Memorandum

To: Mayor and City Council Members
Cc: City Manager Terry Schwerm
From: Tom Simonson
Assistant City Manager and Community Development Director
Date: June 13, 2014
Re: Monthly Report
– Administration Department
– Community Development Department

Welcome New Assistant to the City Manager

Last week, Rebecca Olson began her employment in the Administration Department as the new Assistant to the City Manager. Most recently she was with the City of Blaine in a similar position, where she has worked for the past 9 years. Rebecca has a B.A. in International Studies/Political Science from the University of Saint Thomas and a Masters in Public Administration from Hamline University, and possesses a strong administrative background. Prior to her work for Blaine, she spent five years at the Minnesota Senate working as a legislative assistant. She is eager to broaden her range of experience including getting more involved with public safety matters, cable administration, special projects and staffing the City's Human Rights Commission.

Planning and Zoning

Planning Commission – The Planning Commission will hold their regular meeting on June 24th. Three applications are on the agenda including two conditional use permits for accessory structures and a minor subdivision/variance request by Moser Homes relating to the sale of the City-owned property at 3339 Victoria Street.

Highway Corridor Transition Study – The planning consultant HKGI will be presenting land use concepts that have been finalized and implementation strategies defined for each corridor in a final report to the City Council, Economic Development Authority and Planning Commission at the July 14th workshop meeting. Outcomes of the study and strategies will eventually lead to developing land use policies in the Comprehensive Plan and involve a public review process.

Railroad Quiet Zones – In follow-up to the funding approved by the Legislature to establish a quiet zone for the north-south railroad corridor, City staff has met with engineering consultants SEH, Inc. and the City of Little Canada to review the process and needed improvements for the North Owasso Boulevard and Jerrold Avenue crossings. The existing agreement with SEH, Inc. will be amended to include work associated with establishing a quiet zone for this north-south corridor. The east-west rail corridor through the Lexington Avenue and Victoria Street intersections will be designated a quiet zone area later this summer.

Rondo Community Land Trust – The Rondo Community Land Trust will be submitting an application to the Minnesota Housing Finance Agency through the Community Land Trust Impact Fund seeking financial assistance to acquire up to two homes in Shoreview. Rondo is seeking \$200,000 through this program, which would then be matched by Ramsey County. Funding through this program will enable Rondo to write down the cost of the property, thereby increasing affordability to low and moderate income families. Rondo has asked the City to assist in the preparation of this application by providing information regarding housing and employment.

Economic Development

Shoreview Business Exchange – The Economic Development Commission and City Council hosted a Shoreview Business Exchange event on June 12th at the Hilton Garden Inn. About 25 people attended the social networking event representing 16 companies, including several new to the community. Staff will be discussing results of the event with the EDC and follow-up on any actions resulting from the interaction with businesses. The networking event is held twice a year as a way for the City to build on relationships with the local business community.

Shoreview Business Matters Newsletter – The first issue of the new *Business Matters* newsletter was distributed in early June, and included a promotion of the Business Exchange. *Business Matters* will be published quarterly to our business community, and will include spotlight articles featuring local businesses as well as development updates and other information/resources of interest to our businesses. The City hopes to build an email database of subscribers to the newsletter reaches a wider audience, especially at our larger companies. A copy of the newsletter is enclosed.

Special TIF Legislation – The City was successful in getting legislation passed giving special authority through a pilot program to establish up to three Economic Development TIF Districts for a period of 12 years, instead of the current maximum of 8 years for the purpose of business retention, expansion and job creation. Shoreview is also allowed to create a special BRE fund from both existing and future tax increment resources that can be used to assist local businesses with expansions for job creation. The City would have this special authority as a pilot program for a period of 5 years.

The EDA will be discussing a marketing strategy for promoting this special authority to our key businesses identified in our BRE Program to facilitate and support expansion. The EDA will also be reviewing new policies for a special BRE fund and exploring options to seed the fund through tax increment resources. The BRE fund would be used to provide loans to qualifying businesses looking to expand and create jobs.

Development Updates

- **City and County Credit Union** – Site grading and construction has begun on the new City and County Credit Union branch facility at 1001 Red Fox Road (the final phase of the Red Fox Retail development). The property is located at the east end of Red Fox Road near the Island Lake Golf Course, just east of the Red Fox Retail Center. The building should be completed by late fall of this year.



- **Best Western Plus/Green Mill** – The Council also recently granted approval, recommended by the Planning Commission, for the site and building plans and sign plan for major renovations and enhancements to the Hampton Inn at 1000 Gramsie Road. The property owner is converting the hotel to a Best Western Plus, as well as revamping the Green Mill Restaurant. The hotel will receive upgrades to interior spaces including guest rooms and expanded banquet space. The Green Mill will be redesigned to accommodate the banquet room expansion and will have a much larger attractive outdoor patio space.



- **Residential Projects** – Community Development and Public Works/Engineering staff are working closely with developers of three large residential developments, including Autumn Meadows, Applewood Pointe of Shoreview, and Lakeview Terrace.

Autumn Meadows is the 25-lot single family subdivision under construction by Pulte Homes in northern Shoreview off of Lexington Avenue between Woodcrest and Bucher Avenues. Site work is expected to be completed in July, including the installation of the road network. A building permit has been issued and a model home is currently under construction. Permits for additional homes can be issued once the roads are installed. Staff has received a number of complaints regarding the construction hours of operation, noise, and parking. Staff met with representatives of Pulte and their contractor Enebec Construction and it appears the issues have been resolved. According to Pulte Homes, there has been very strong interest and the project is expected to build-out very quickly.

Applewood Pointe of Shoreview is the 77-unit senior cooperative being constructed by United Properties on the former Kozlak’s Royal Oak Restaurant property at Tanglewood Drive and Hodgson Road. The restaurant has been vacated after an auction of the furnishings and equipment, with building demolition slated for mid-June. According to United Properties, construction on the building is expected to begin in August.

Lakeview Terrace Apartments project construction is now progressing rapidly after some weather related setbacks this winter with frigid temperatures and heavy rains this spring. The contractor, Stevens Construction out of Madison, Wisconsin, is a well-respected firm that has built many high-density residential projects in the Twin Cities region. The six-story 104 unit apartment building is the end result of a private-public partnership between an ownership group from the adjacent Midland Terrace complex and the City of Shoreview.



The luxury apartment building, which will include a variety of amenities including underground parking, is designed to attract young professionals and “empty-nesters” looking to downsize but remain in the community. The development should also serve as attractive live-work housing for

many large business employers in the area. Lakeview Terrace is expected to open by the end of summer this year.

Housing and Code Enforcement Activity

Hoarding Project – On June 5th, the City hosted a workshop for non-mental health professionals regarding hoarding behavior, treatment and community response. This workshop was held in partnership with the Minnesota Hoarding Project and Ramsey County, as part of the pilot program Shoreview is coordinating with these other agencies. Speakers included Kay Wittgenstein from Ramsey County Social Services, Janet Yeats of the Hoarding Project, and City Planner Kathleen Castle. Information regarding the City’s Coordinated Process and Response Plan was presented to this group.

Rental Licensing – There have been 572 General Dwelling Unit rental licenses (GDUs are single-family homes, townhouses, condominiums) issued so far for the 2014 licensing year – a record number of licenses since the program was established in 2003.

Inspections of all eight Multi-Family Unit complexes (MFUs are general rental and senior apartment buildings) have been completed for this year. Approximately 1/3 of the dwelling units within each of the complexes are inspected for compliance with the City’s housing and property maintenance code. This year is the first time interior common areas will be inspected based on changes to our Housing Maintenance regulations. These MFU inspections are coordinated with the Fire Marshal from the Lake Johanna Fire Department, who inspects the common areas of these complexes to ensure Fire Code standards are being met.

Inspection for GDU units began in late April and will be geographically scheduled by neighborhood throughout the City and performed every other week into the fall. So far 96 inspections have been conducted of the approximately 290 GDU rental homes that will be inspected in 2014.

SHINE Program – The spring SHINE neighborhood inspections were conducted the week of May 26th. Two residential neighborhoods have been selected and included the Western Pines neighborhood south and west of the County Road J/Hodgson Road intersection and the Cumberland Court/Hodgson Road neighborhood north of Snail Lake Road. SHINE was initiated in 2003 and the Western Pines neighborhood was the first to be inspected a decade ago. There were a total of 233 properties included in the spring SHINE.

The most common non-compliant conditions observed throughout the neighborhoods included parking and storage of vehicles and equipment, outside storage of materials/equipment and refuse, and housing maintenance. Staff also used the SHINE data to identify rental properties and contacted those owners to obtain rental licenses.

Non-violation letters have been sent out summarizing the findings and staff continues to work on the letters to homeowners with non-compliant conditions. The following table shows the inspection results:

SHINE RESULTS – SPRING 2014

	UNLICENSED/INOP	# OF VEHICLES	PARKING LOCATION	RECREATIONAL VEHICLE STORAGE	# OF RECREATIONAL VEHICLES	COMMERCIAL VEHICLES	GARBAGE/REFUSE	OUTSIDE STORAGE	MISC.	GARBAGE CANS	HOUSING MAINT. MAJOR	HOUSING MAINT. MINOR	Total
Totals	3	1	16	10	3	0	8	11	1	0	0	17	70
Multiple Violations	15												
Non-Violations	186												

Code Enforcement – There were 29 new code enforcement cases opened in the past month. Of the 29 new cases, 22 involved tall grass/weeds on properties. The tall grass/weed violations will be handled through the City’s abatement process if the properties are not corrected.

The table below summarizes the status of code enforcement activity:

Year	Total Cases	Cases Open	Cases Closed
2014	95	68	27
2013	159	52	107

Other News and Information

- Attached is the monthly services report from the HousingResource Center.
- Attached is the monthly building permit activity report from the Building Official.

**CITY OF SHOREVIEW
BUILDING INSPECTOR MONTHLY REPORT
COMPARISON OF YEAR 2014 WITH 2013**

	MAY 2014		TO DATE 2014		MAY 2013		TO DATE 2013	
	PERMITS	VALUATION	PERMITS	VALUATION	PERMITS	VALUATION	PERMITS	VALUATION
DWELLINGS	2	\$632,000	3	\$882,000	2	\$1,325,000	2	\$1,325,000
TOWNHOMES			0	\$0	0	\$0	0	\$0
ADDITIONS	2	\$55,000	7	\$301,300	6	\$162,200	14	\$517,200
GARAGES			2	\$28,000			0	\$0
MISCELLANEOUS	126	\$831,896	257	\$1,767,522	110	\$542,700	240	\$1,555,803
APARTMENTS			0	\$0			0	\$0
OFFICES	1	\$1,500,000	1	\$1,500,000			0	\$0
RETAIL			0	\$0			1	\$1,285,000
INDUSTRIAL/WAREHOUSE			1	\$80,000			0	\$0
PUBLIC BUILDINGS			0	\$0			0	\$0
COMMERCIAL ADDITIONS			0	\$0			2	\$385,000
COMMERCIAL ALTER	3	\$931,000	25	\$2,384,239	5	\$84,045	29	\$1,304,751
TOTAL	134	\$3,949,896	296	\$6,943,061	121	\$788,945	288	\$6,372,754

CC: CITY MANAGER
DIR. COMMUNITY DEV
MAYOR

TO: Terry Schwerm, City Manager
 FROM: Fred Espe, Finance Director
 DATE: June 4, 2014
 RE: Monthly Finance Report

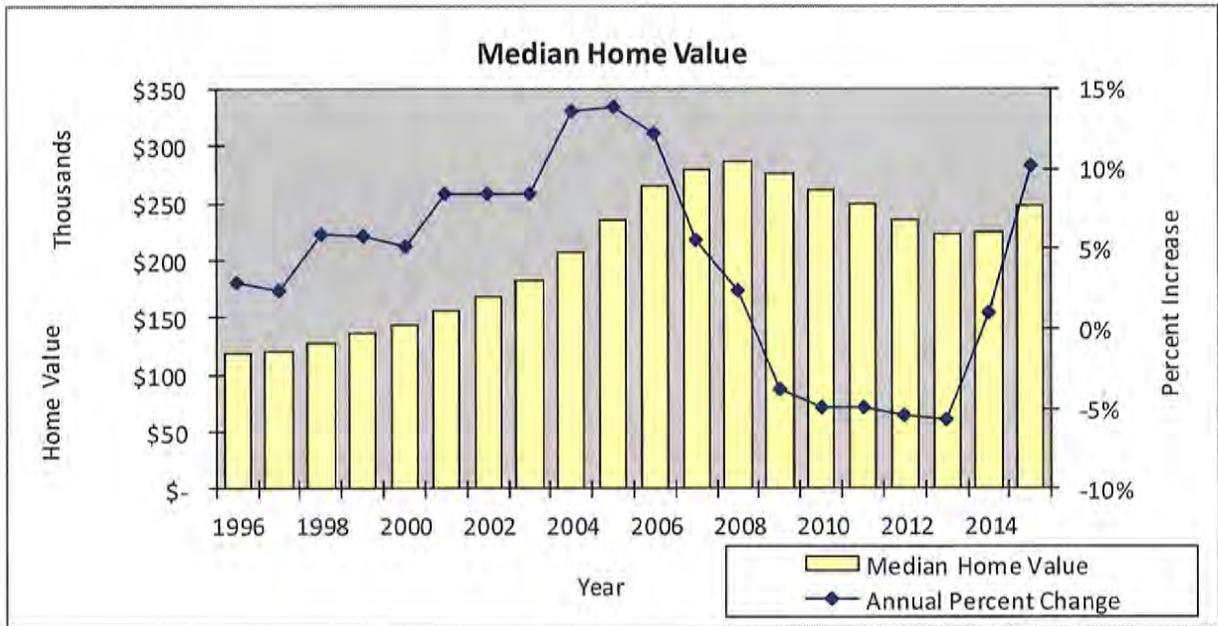
Preliminary Median Values

The table at right and the graph below provide a history of median single-family home values from 1996 through 2014, as well as the preliminary value for 2015. For the second consecutive year, Shoreview's median value is expected to increase (10.2% in 2015).

Ramsey County's most recent Assessment Report states that for suburban Ramsey County, total residential value is increasing about 5.1%, commercial/industrial values are decreasing .7% and apartment values are increasing 4.0%. The Assessor also reports that within suburban Ramsey County, about 90% of single-family home values will increase, 9% of home values will decrease and 1% will remain the same.

More information about taxable values will be released in early August, in time for the adoption of the preliminary tax levy.

Year	Median Home Value	Annual Percent Change
1996	\$118,400	3.0%
1997	121,300	2.4%
1998	128,500	5.9%
1999	136,000	5.8%
2000	143,100	5.2%
2001	155,200	8.5%
2002	168,400	8.5%
2003	182,700	8.5%
2004	207,500	13.6%
2005	236,250	13.9%
2006	265,050	12.2%
2007	279,900	5.6%
2008	286,600	2.4%
2009	275,600	-3.8%
2010	262,200	-4.9%
2011	249,350	-4.9%
2012	235,700	-5.5%
2013	222,200	-5.7%
2014	224,500	1.0%
2015	247,500	10.2%



State Auditor's Report

For several years the State Auditor's office has compiled data from Minnesota cities into an annual report. The 2012 version of the report was released earlier this year, and includes information about revenues, expenditures, debt levels and fund balances. The illustrations that follow were prepared based on excerpts of the data for comparison cities. These cities include those in the metro area that are closest to Shoreview in population, selecting 14 larger and 14 smaller. It should be noted that Shoreview's population is 13.2% below the average of the cities in this group for 2012.

Revenue Per Capita – The first set of data (in the table below) shows revenue per capita for all funds, by source.

Revenue Per Capita by Source 2012	High	Average	Low	Shoreview	Shoreview to Average
Property tax	\$ 795.57	\$ 424.28	\$ 192.74	\$ 354.37	-16.5%
TIF	236.17	68.87	1.04	77.87	13.1%
Franchise tax	133.24	19.06	-	11.86	-37.8%
Other tax	28.87	1.94	-	0.62	-68.1%
Special assessments	157.92	52.48	6.63	7.12	-86.4%
Licenses & permits	71.26	32.17	11.51	21.27	-33.9%
Federal (all combined)	145.89	12.12	-	0.05	-99.6%
State (all combined)	210.61	74.72	15.95	40.53	-45.8%
Local (county & other combined)	94.54	17.61	-	6.95	-60.5%
Charges for service	312.17	135.51	25.31	223.75	65.1%
Fines & forfeits	25.52	8.87	2.63	2.63	-70.4%
Interest	38.28	12.73	1.58	8.52	-33.1%
All other governmental	102.95	32.76	4.78	4.78	-85.4%
Water/sewer/storm/st lights	518.46	256.11	145.44	320.98	25.3%
Electric (enterprise)	1,414.74	131.97	-	-	-100.0%
Com Dev (enterprise)	14.98	0.52	-	-	-100.0%
All other enterprise operations	201.33	31.98	-	-	-100.0%
Total All Funds	\$ 2,860.96	\$ 1,313.69	\$ 878.67	\$ 1,081.30	-17.7%

Shoreview is below average in all categories except TIF revenue, charges for service and utility revenue (for water, sewer, surface water and street lighting).

- Shoreview's assessment revenue per capita is 86% below average, likely due to the limited use of this financing mechanism in Shoreview
- Shoreview's state aid per capita is 45.8% below average
- Charges for service revenue are higher due to the combined impact of community center memberships/admissions, and recreation program fees
- Utility revenue is higher in Shoreview in part due to differences in how cities collect revenue for surface water management and street lighting (both are utility funds in Shoreview)

The highest amount of taxes levied, when measured on a per capita basis, is in Golden Valley, at \$795.57. The lowest is White Bear Lake at \$192.74. The average tax per capita is \$424.28, with Shoreview at \$354.37 (16.5% below average).

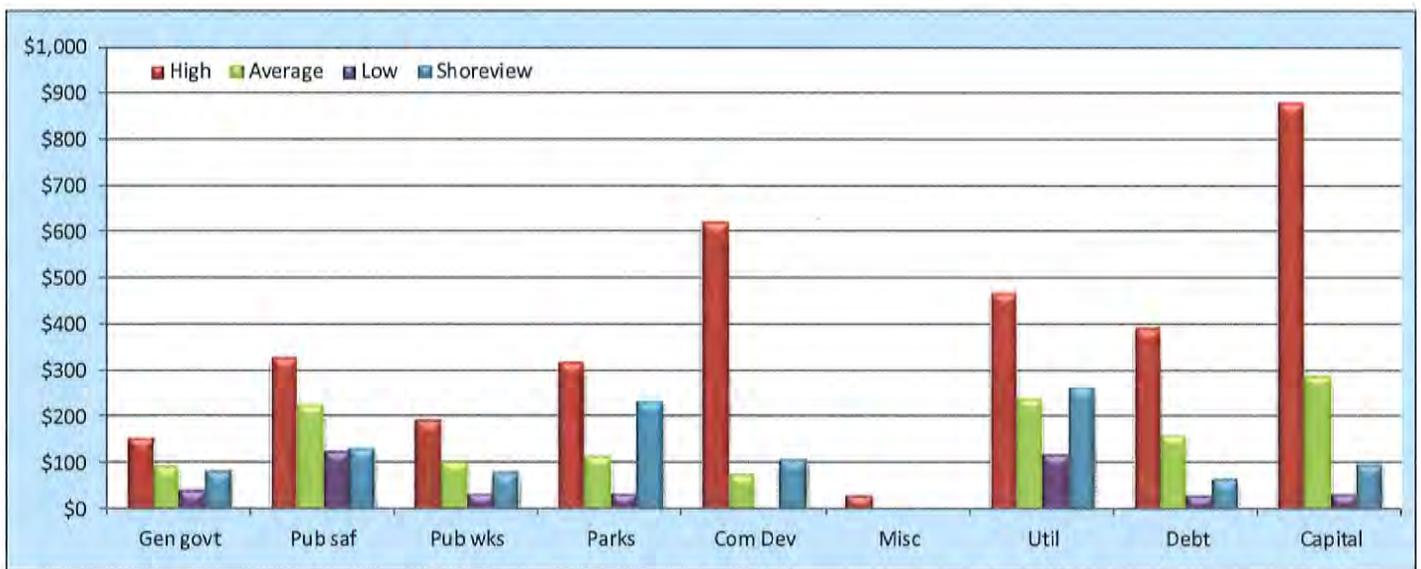
Expense per capita by program area is presented in the table and graph below.

Spending Per Capita by Source	High	Average	Low	Shoreview	Shoreview to Average
General government	\$ 157.28	\$ 94.62	\$ 42.19	\$ 83.60	-11.6%
Public safety	332.38	225.68	126.75	133.13	-41.0%
Public works	197.64	103.87	37.17	82.01	-21.0%
Parks & recreation	320.25	117.24	34.93	234.01	99.6%
Commun devel/EDA/HRA/Hous	624.20	76.14	0.40	107.48	41.2%
All other governmental	33.58	5.50	-	-	-100.0%
Water/sewer/storm/st lights	470.95	242.89	120.09	266.70	9.8%
Electric	1,278.88	119.12	-	-	-100.0%
All other enterprise operations	203.68	26.17	-	-	-100.0%
Debt payments	393.83	160.61	33.95	68.54	-57.3%
Capital outlay	883.30	290.80	34.43	99.74	-65.7%
Total All Funds	\$ 2,986.79	\$ 1,462.64	\$ 805.64	\$ 1,075.22	-26.5%

Shoreview is below average in all activity areas except parks (due to community center and recreation program spending, which is primarily supported by user fees and membership revenue), community development (due to developer assistance), and utility funds (water, sewer, surface water and street lighting combined).

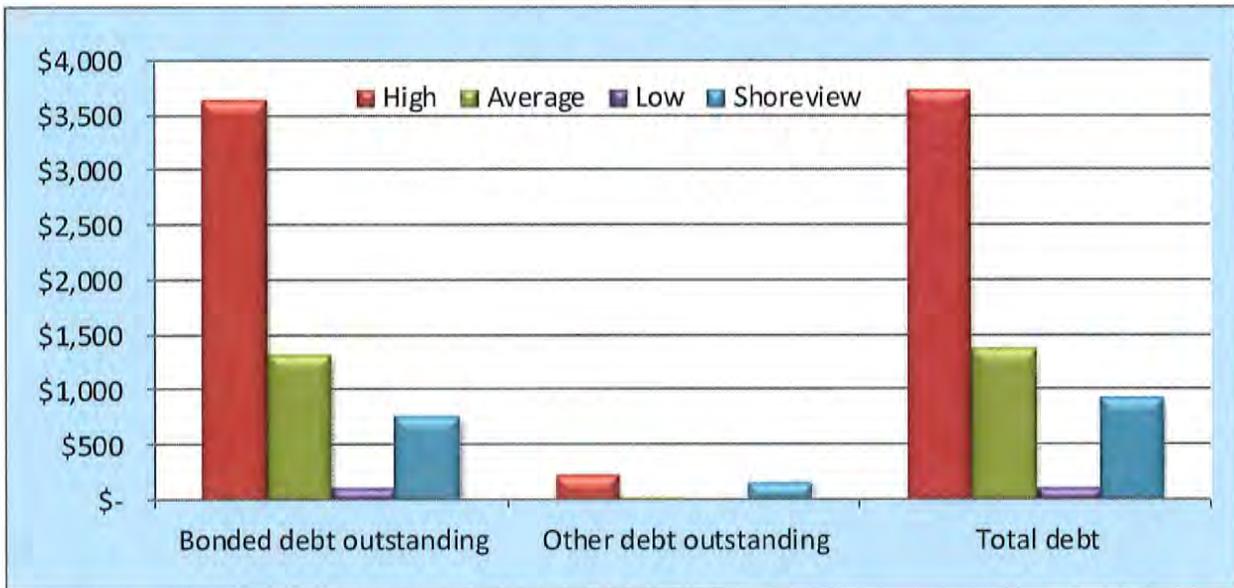
- Shoreview’s public safety spending continues to be near the lowest among comparison cities (41% below average), due to the manner in which the City provides police and fire protection (through contracts with Ramsey County for police and Lake Johanna Fire Department for fire)
- Parks spending is higher due to the community center and recreation programs
- Utility spending is higher in Shoreview in part due to differences in how cities account for surface water management and street lighting (both are utility funds in Shoreview)
- Total spending per capita is 26.5% below average

The graph below provides the same information (excluding electric enterprise and other enterprise operations).



Debt Per Capita for Shoreview and comparison cities is provided in the table below. Shoreview's outstanding bonded debt is 41.8% below average, and total debt is 31.6% below average. Other debt in Shoreview includes the certificates of participation for the community center addition.

Debt Per Capita	High	Average	Low	Shoreview	Shoreview to Average
Bonded debt outstanding	\$ 3,648	\$ 1,334	\$ 110	\$ 776	-41.8%
Other debt outstanding	251	49	-	170	244.0%
Total debt	\$ 3,749	\$ 1,383	\$ 110	\$ 946	-31.6%

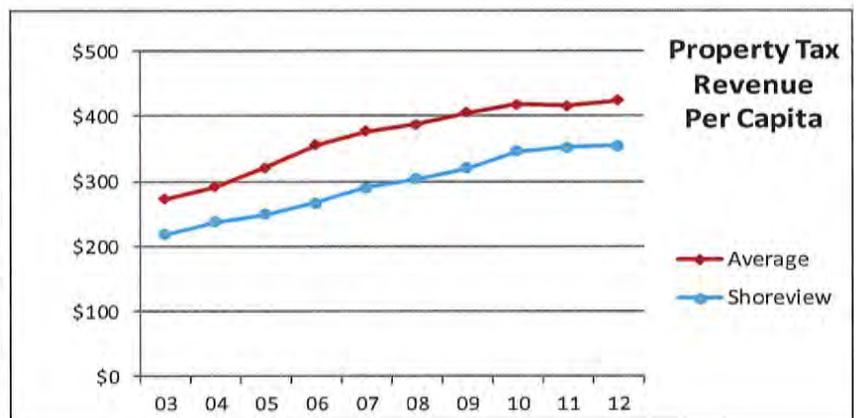


The illustrations on the next 3 pages show how a selected number of these statistics have changed over the past 10 years, comparing Shoreview to the average in each instance. Shoreview is represented by the blue line, and the average for comparison cities is shown in red.

Shoreview has gained slightly among comparison cities on property taxes per capita.

Property Tax Revenue Per Capita

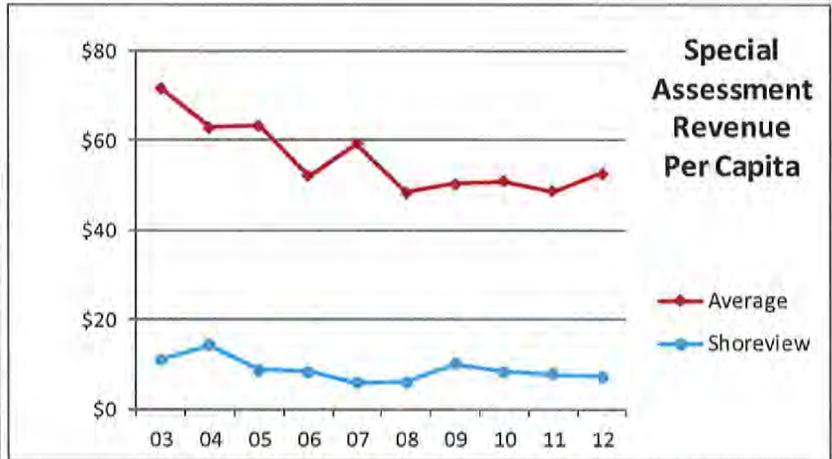
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 272.25	\$ 217.24	79.8%
2004	\$ 290.96	\$ 237.15	81.5%
2005	\$ 320.32	\$ 248.16	77.5%
2006	\$ 355.38	\$ 266.90	75.1%
2007	\$ 376.09	\$ 289.70	77.0%
2008	\$ 387.00	\$ 303.32	78.4%
2009	\$ 405.01	\$ 319.72	78.9%
2010	\$ 417.95	\$ 345.37	82.6%
2011	\$ 415.79	\$ 352.10	84.7%
2012	\$ 424.28	\$ 354.37	83.5%



Special assessment revenue per capita in Shoreview has held relatively constant and remains significantly below average in all years.

Special Assessment Revenue Per Capita

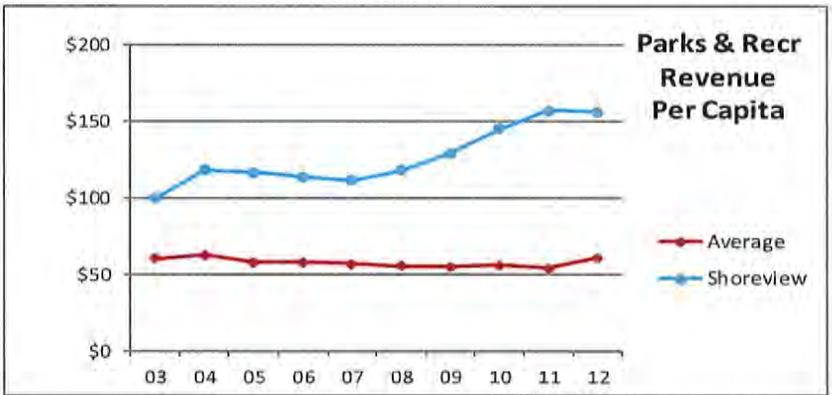
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 71.62	\$ 10.96	15.3%
2004	\$ 62.80	\$ 14.30	22.8%
2005	\$ 63.28	\$ 8.62	13.6%
2006	\$ 52.06	\$ 8.35	16.0%
2007	\$ 59.24	\$ 5.84	9.9%
2008	\$ 48.30	\$ 6.11	12.7%
2009	\$ 50.27	\$ 10.05	20.0%
2010	\$ 50.90	\$ 8.32	16.3%
2011	\$ 48.62	\$ 7.70	15.8%
2012	\$ 52.48	\$ 7.12	13.6%



Shoreview's parks and recreation revenue per capita (from fees and memberships) continues to exceed the average, the average for comparison cities has remained constant.

Parks & Recreation Revenue Per Capita

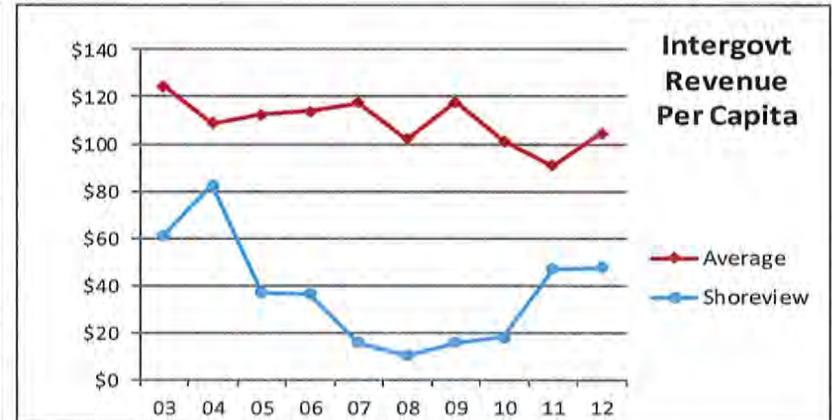
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 59.90	\$ 99.68	166.4%
2004	\$ 62.49	\$ 117.65	188.3%
2005	\$ 57.46	\$ 116.30	202.4%
2006	\$ 57.61	\$ 113.24	196.6%
2007	\$ 56.84	\$ 110.97	195.2%
2008	\$ 55.16	\$ 117.55	213.1%
2009	\$ 54.58	\$ 128.72	235.8%
2010	\$ 55.96	\$ 144.62	258.4%
2011	\$ 53.70	\$ 156.86	292.1%
2012	\$ 60.75	\$ 155.77	256.4%



Shoreview has received significantly less state aid per capita than average. The increase in intergovernmental revenue for 2011 and 2012 was MSA funding for street projects.

Intergovernmental Revenue Per Capita

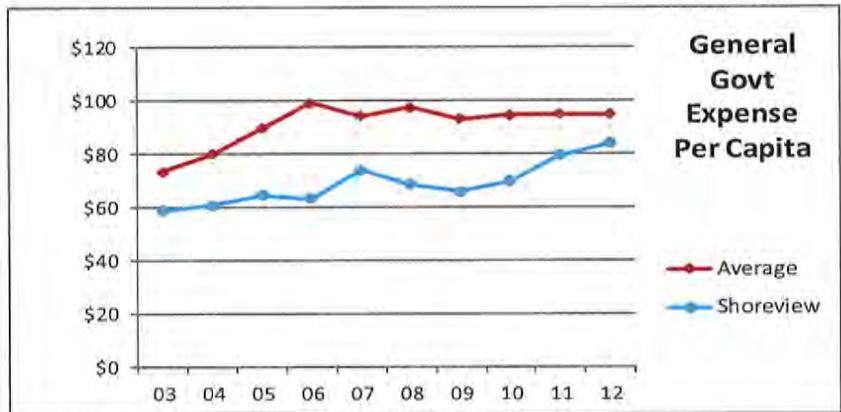
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 124.44	\$ 61.26	49.2%
2004	\$ 108.98	\$ 82.66	75.8%
2005	\$ 112.44	\$ 37.13	33.0%
2006	\$ 113.89	\$ 36.35	31.9%
2007	\$ 117.56	\$ 15.67	13.3%
2008	\$ 102.07	\$ 10.39	10.2%
2009	\$ 117.69	\$ 15.61	13.3%
2010	\$ 101.15	\$ 17.89	17.7%
2011	\$ 90.87	\$ 46.96	51.7%
2012	\$ 104.45	\$ 47.53	45.5%



General government spending per capita has remained below the average with slight gains since 2009.

General Government Expense Per Capita

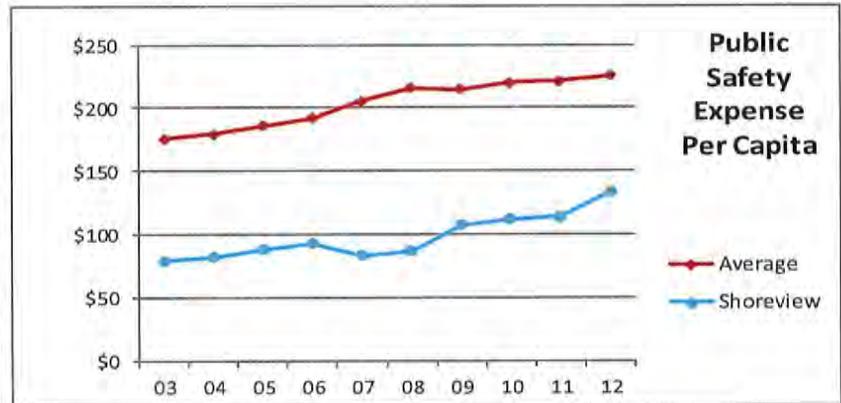
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 72.98	\$ 58.50	80.2%
2004	\$ 79.62	\$ 60.47	75.9%
2005	\$ 89.47	\$ 64.25	71.8%
2006	\$ 98.77	\$ 63.18	64.0%
2007	\$ 93.91	\$ 73.77	78.6%
2008	\$ 97.14	\$ 68.30	70.3%
2009	\$ 92.89	\$ 65.74	70.8%
2010	\$ 94.20	\$ 69.47	73.7%
2011	\$ 94.66	\$ 79.12	83.6%
2012	\$ 94.62	\$ 83.60	88.4%



Public safety spending per capita has remained consistent compared to the average.

Public Safety Expense Per Capita

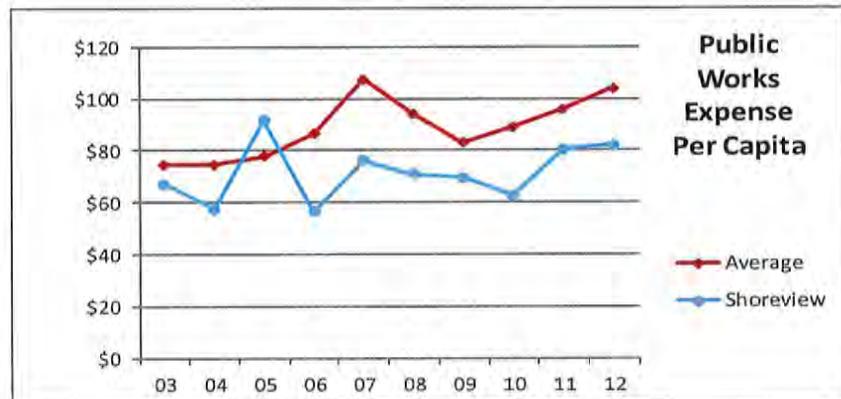
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 175.97	\$ 78.98	44.9%
2004	\$ 179.32	\$ 82.10	45.8%
2005	\$ 186.12	\$ 87.89	47.2%
2006	\$ 191.67	\$ 92.61	48.3%
2007	\$ 205.60	\$ 83.17	40.5%
2008	\$ 215.73	\$ 86.42	40.1%
2009	\$ 214.41	\$ 106.84	49.8%
2010	\$ 220.10	\$ 111.96	50.9%
2011	\$ 221.24	\$ 113.67	51.4%
2012	\$ 225.68	\$ 133.13	59.0%



Public works spending per capita has remained relatively consistent compared to the average, with some fluctuation due to the amount of seal coating each year.

Public Works Expense Per Capita

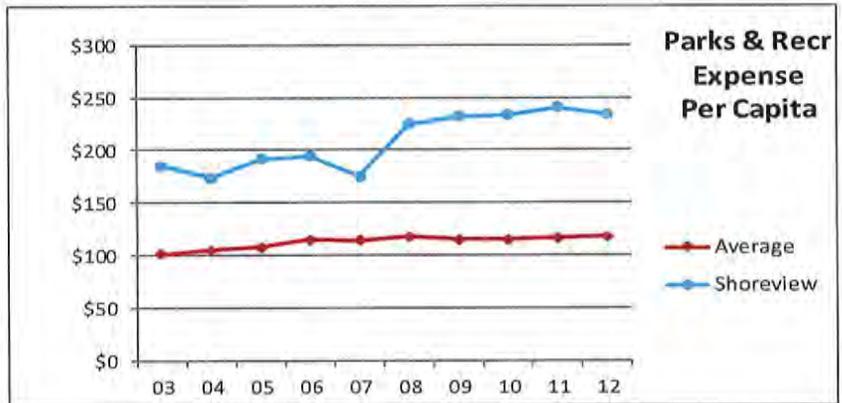
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 74.48	\$ 67.11	90.1%
2004	\$ 74.56	\$ 57.45	77.1%
2005	\$ 77.83	\$ 91.67	117.8%
2006	\$ 86.28	\$ 56.50	65.5%
2007	\$ 107.43	\$ 75.93	70.7%
2008	\$ 94.02	\$ 70.79	75.3%
2009	\$ 82.90	\$ 69.46	83.8%
2010	\$ 88.88	\$ 62.59	70.4%
2011	\$ 95.73	\$ 80.49	84.1%
2012	\$ 103.87	\$ 82.01	79.0%



Parks and recreation spending per capita continues to exceed the average (due to community center and recreation program costs).

Parks & Recreation Expense Per Capita

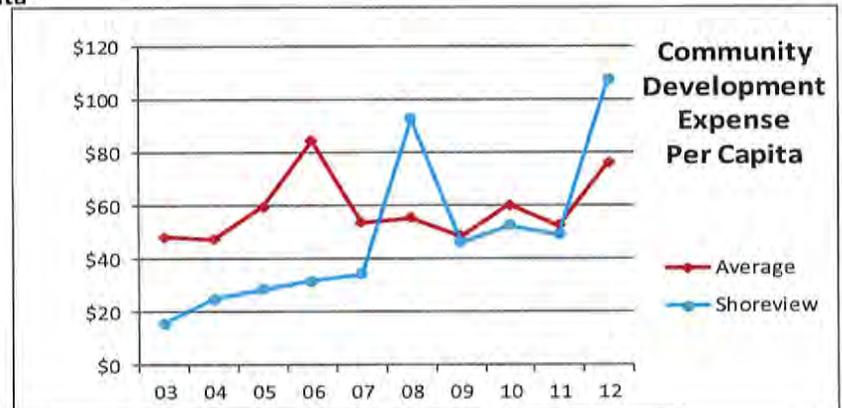
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 100.95	\$ 185.42	183.7%
2004	\$ 104.91	\$ 173.49	165.4%
2005	\$ 107.56	\$ 191.64	178.2%
2006	\$ 114.61	\$ 194.38	169.6%
2007	\$ 113.98	\$ 175.05	153.6%
2008	\$ 117.68	\$ 224.47	190.7%
2009	\$ 114.80	\$ 231.52	201.7%
2010	\$ 114.90	\$ 233.38	203.1%
2011	\$ 116.50	\$ 240.31	206.3%
2012	\$ 117.24	\$ 234.01	199.6%



Community development spending per capita has varied compared to averages. The high in 2008 and 2012 is the result of developer and business assistance.

Community Development Expense Per Capita

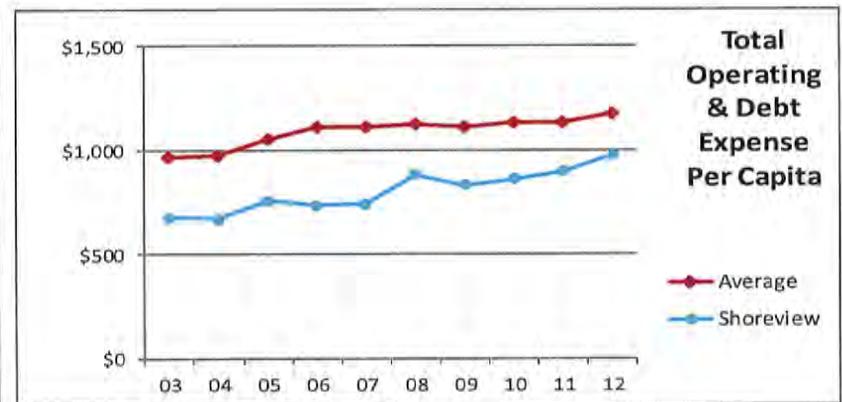
Year	Average	Shoreview	Shoreview % of Average
2003	\$ 48.26	\$ 15.74	32.6%
2004	\$ 47.30	\$ 24.99	52.8%
2005	\$ 59.75	\$ 28.55	47.8%
2006	\$ 84.41	\$ 31.67	37.5%
2007	\$ 53.61	\$ 34.18	63.8%
2008	\$ 55.43	\$ 92.38	166.7%
2009	\$ 48.65	\$ 46.39	95.4%
2010	\$ 60.29	\$ 52.61	87.3%
2011	\$ 52.64	\$ 49.18	93.4%
2012	\$ 76.14	\$ 107.48	141.2%



Total spending per capita (for operating and debt payment combined) continues to be below the average.

Operating & Debt Expense Per Capita

Year	Average	Shoreview	Shoreview % of Average
2003	\$ 963.31	\$ 675.23	70.1%
2004	\$ 975.21	\$ 667.29	68.4%
2005	\$ 1,052.05	\$ 753.81	71.7%
2006	\$ 1,113.18	\$ 734.24	66.0%
2007	\$ 1,108.30	\$ 739.33	66.7%
2008	\$ 1,126.69	\$ 879.77	78.1%
2009	\$ 1,110.50	\$ 830.16	74.8%
2010	\$ 1,134.36	\$ 858.38	75.7%
2011	\$ 1,134.79	\$ 897.13	79.1%
2012	\$ 1,171.84	\$ 975.48	83.2%



Additional information and analysis of the State Auditor data will be provided to the City Council during the budget process later this year.

Monthly Report

The monthly financial report for all operating funds for the month of May is attached.

General Fund
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Property Taxes	6,837,154		6,837,154		
Licenses & Permits	324,500	170,260	154,240	52.47	52.87
Intergovernmental	188,622	108,726	79,897	57.64	44.93
Charges for Services	1,303,110	199,701	1,103,409	15.32	15.47
Fines & Forfeits	52,800	14,001	38,799	26.52	15.38
Interest Earnings	45,000		45,000		
Miscellaneous	26,108	10,341	15,767	39.61	46.82
TOTAL REVENUES	8,777,294	503,029	8,274,265	5.73	5.48
EXPENDITURES					
General Government					
Administration	539,688	172,955	366,733	32.05	38.45
Communications	209,370	67,611	141,759	32.29	49.10
Council & commiss	145,385	77,403	67,982	53.24	58.31
Elections	39,559	16	39,543	.04	
Finance/accounting	559,990	223,818	336,172	39.97	42.17
Human Resources	278,161	96,846	181,315	34.82	35.32
Information systems	334,900	156,383	178,517	46.70	43.49
Legal	120,000	42,352	77,648	35.29	37.08
Total General Government	2,227,053	837,384	1,389,669	37.60	42.06
Public Safety					
Emergency services	7,973	1,691	6,282	21.21	29.25
Fire	1,023,220	511,533	511,687	49.99	50.22
Police	1,969,030	775,852	1,193,178	39.40	39.19
Total Public Safety	3,000,223	1,289,077	1,711,146	42.97	42.97
Public Works					
Forestry/nursery	132,243	33,352	98,891	25.22	17.54
Pub Works Adm/Engin	460,442	182,664	277,778	39.67	37.70
Streets	837,694	211,581	626,113	25.26	26.86
Trail mgmt	126,347	25,501	100,846	20.18	20.89
Total Public Works	1,556,726	453,099	1,103,627	29.11	29.00
Parks and Recreation					
Municipal buildings	127,775	9,692	118,083	7.59	7.77
Park Maintenance	1,200,912	323,895	877,017	26.97	26.80
Park/Recreation Adm	397,368	144,152	253,216	36.28	39.82
Total Parks and Recreation	1,726,055	477,739	1,248,316	27.68	28.03
Community Develop					
Building Inspection	155,715	63,992	91,723	41.10	47.08
Planning/zoning adm	434,522	168,293	266,229	38.73	37.61
Total Community Develop	590,237	232,285	357,952	39.35	40.22

General Fund
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
TOTAL EXPENDITURES	9,100,294	3,289,583	5,810,711	36.15	37.29
OTHER					
Transfers In	692,000	66,667	625,333	9.63	9.23
Transfers Out	-369,000	-99,583	-269,417	26.99	23.43
TOTAL OTHER	323,000	-32,917	355,917	-10.19	-45.77
Net change in fund equity		-2,819,471	3,358,304		
Fund equity, beginning		4,303,604			
Fund equity, ending		1,484,133			
Less invested in capital assets					
Net available fund equity		1,484,133			

Recycling
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Intergovernmental	66,000		66,000		
Charges for Services	493,500		493,500		
TOTAL REVENUES	559,500		559,500		
EXPENDITURES					
Public Works					
Recycling	529,569	132,124	397,445	24.95	29.40
Total Public Works	529,569	132,124	397,445	24.95	29.40
TOTAL EXPENDITURES	529,569	132,124	397,445	24.95	29.40
Net change in fund equity	29,931	-132,124	162,055		
Fund equity, beginning		204,983			
Fund equity, ending		72,859			
Less invested in capital assets					
Net available fund equity		72,859			

STD Self Insurance
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Charges for Services	7,500	3,116	4,384	41.55	42.29
Interest Earnings	450		450		
TOTAL REVENUES	7,950	3,116	4,834	39.19	39.16
EXPENDITURES					
Miscellaneous					
Short-term Disab	8,000	5,707	2,293	71.34	17.44
Total Miscellaneous	8,000	5,707	2,293	71.34	17.44
TOTAL EXPENDITURES	8,000	5,707	2,293	71.34	17.44
Net change in fund equity	-50	-2,591	2,541		
Fund equity, beginning		41,257			
Fund equity, ending		38,666			
Less invested in capital assets					
Net available fund equity		38,666			

Community Center
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Charges for Services	2,431,850	1,025,375	1,406,475	42.16	43.63
Interest Earnings	8,000		8,000		
Miscellaneous	13,000		13,000		
TOTAL REVENUES	2,452,850	1,025,375	1,427,475	41.80	43.47
EXPENDITURES					
Parks and Recreation					
Community center	2,667,676	951,643	1,716,033	35.67	39.89
Total Parks and Recreation	2,667,676	951,643	1,716,033	35.67	39.89
TOTAL EXPENDITURES	2,667,676	951,643	1,716,033	35.67	39.89
OTHER					
Transfers In	339,000	141,250	197,750	41.67	41.67
TOTAL OTHER	339,000	141,250	197,750	41.67	41.67
Net change in fund equity	124,174	214,982	-90,808		
Fund equity, beginning		1,048,539			
Fund equity, ending		1,263,521			
Less invested in capital assets					
Net available fund equity		1,263,521			

Recreation Programs
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Charges for Services	1,460,213	530,312	929,901	36.32	37.02
Interest Earnings	4,200		4,200		
Miscellaneous		20	-20		
TOTAL REVENUES	1,464,413	530,332	934,081	36.21	36.90
EXPENDITURES					
Parks and Recreation					
Adult & youth sports	96,256	25,927	70,329	26.94	25.20
Aquatics	151,242	46,743	104,499	30.91	42.00
Community programs	102,662	34,418	68,244	33.53	52.77
Drop-in Child Care	61,751	22,105	39,646	35.80	41.99
Fitness Programs	209,023	79,159	129,864	37.87	40.84
Park/Recreation Adm	387,969	123,100	264,869	31.73	38.79
Preschool Programs	113,540	38,623	74,917	34.02	56.53
Summer Discovery	206,689	10,411	196,278	5.04	3.33
Youth/Teen	36,621	10,679	25,942	29.16	25.16
Total Parks and Recreation	1,365,753	391,165	974,588	28.64	34.43
TOTAL EXPENDITURES	1,365,753	391,165	974,588	28.64	34.43
OTHER					
Transfers In	70,000		70,000		
Transfers Out	-100,000	-41,667	-58,333	41.67	41.67
TOTAL OTHER	-30,000	-41,667	11,667	138.89	333.35
Net change in fund equity	68,660	97,501	87,826		
Fund equity, beginning		761,736			
Fund equity, ending		859,237			
Less invested in capital assets					
Net available fund equity		859,237			

Cable Television
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Charges for Services	314,000	79,019	234,981	25.17	26.33
Interest Earnings	1,600		1,600		
Miscellaneous	1,200	600	600	50.00	33.33
TOTAL REVENUES	316,800	79,619	237,181	25.13	26.20
EXPENDITURES					
General Government					
Cable television	149,587	87,903	61,684	58.76	54.73
Total General Government	149,587	87,903	61,684	58.76	54.73
Capital Outlay					
Cable television		622	-622		
Total Capital Outlay		622	-622		
TOTAL EXPENDITURES	149,587	88,526	61,061	59.18	80.95
OTHER					
Transfers Out	-160,000	-66,667	-93,333	41.67	40.98
TOTAL OTHER	-160,000	-66,667	-93,333	41.67	40.98
Net change in fund equity	7,213	-75,573	269,453		
Fund equity, beginning		178,180			
Fund equity, ending		102,607			
Less invested in capital assets					
Net available fund equity		102,607			

Econ Devel Auth/EDA
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Property Taxes	80,000		80,000		
TOTAL REVENUES	80,000		80,000		
EXPENDITURES					
Community Develop					
Econ Development-EDA	71,007	26,263	44,744	36.99	34.19
Total Community Develop	71,007	26,263	44,744	36.99	34.19
TOTAL EXPENDITURES	71,007	26,263	44,744	36.99	34.19
Net change in fund equity	8,993	-26,263	35,256		
Fund equity, beginning		194,964			
Fund equity, ending		168,701			
Less invested in capital assets					
Net available fund equity		168,701			

HRA Programs of EDA
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Property Taxes	90,000		90,000		
TOTAL REVENUES	90,000		90,000		
EXPENDITURES					
Community Develop					
Housing Programs-HRA	81,371	24,895	56,476	30.59	20.03
Total Community Develop	81,371	24,895	56,476	30.59	20.03
TOTAL EXPENDITURES	81,371	24,895	56,476	30.59	20.03
Net change in fund equity	8,629	-24,895	33,524		
Fund equity, beginning		74,197			
Fund equity, ending		49,302			
Less invested in capital assets					
Net available fund equity		49,302			

Liability Claims
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Interest Earnings	2,100		2,100		
Miscellaneous	30,000		30,000		3.26
TOTAL REVENUES	32,100		32,100		3.02
EXPENDITURES					
Miscellaneous					
Insurance Claims	32,000	8,197	23,803	25.61	13.74
Total Miscellaneous	32,000	8,197	23,803	25.61	13.74
TOTAL EXPENDITURES	32,000	8,197	23,803	25.61	13.74
Net change in fund equity	100	-8,197	8,297		
Fund equity, beginning		227,879			
Fund equity, ending		219,682			
Less invested in capital assets					
Net available fund equity		219,682			

Slice SV Event
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Charges for Services	26,000	19,920	6,080	76.62	71.47
Miscellaneous	32,000	12,525	19,475	39.14	71.39
TOTAL REVENUES	58,000	32,445	25,555	55.94	71.43
EXPENDITURES					
General Government					
Slice of Shoreview	65,735	12,587	53,148	19.15	16.17
Total General Government	65,735	12,587	53,148	19.15	16.17
TOTAL EXPENDITURES	65,735	12,587	53,148	19.15	16.17
OTHER					
Transfers In	10,000		10,000		
TOTAL OTHER	10,000		10,000		
Net change in fund equity	2,265	19,858	-17,593		
Fund equity, beginning		65,817			
Fund equity, ending		85,675			
Less invested in capital assets					
Net available fund equity		85,675			

Water Fund
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Intergovernmental	12,620	5,995	6,625	47.50	50.94
Utility Charges	2,637,000	732,454	1,904,546	27.78	27.13
Late fees		15,842	-15,842		
Water meters	5,500	1,260	4,240	22.91	101.86
Other prop charges	11,000	4,784	6,216	43.49	143.85
Interest Earnings	34,000	170	33,830	.50	-.44
TOTAL REVENUES	2,700,120	760,505	1,939,615	28.17	27.75
EXPENDITURES					
Proprietary					
Water Operations	1,503,536	391,712	1,111,824	26.05	25.90
Total Proprietary	1,503,536	391,712	1,111,824	26.05	25.90
TOTAL EXPENDITURES	1,503,536	391,712	1,111,824	26.05	25.90
OTHER					
Depreciation	-639,000	-266,250	-372,750	41.67	41.67
Transfers Out	-303,000		-303,000		
GO Revenue Bonds	-160,623	-102,518	-58,105	63.83	65.63
TOTAL OTHER	-1,102,623	-368,768	-733,855	33.44	35.25
Net change in fund equity	93,961	26	1,561,645		
Fund equity, beginning		13,327,864			
Fund equity, ending		13,327,890			
Less invested in capital assets		9,427,325			
Net available fund equity		3,900,565			

Sewer Fund
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Intergovernmental	10,050	4,777	5,273	47.53	50.94
Charges for Services	1,000		1,000		97.40
Utility Charges	3,816,000	1,501,268	2,314,732	39.34	39.00
Late fees		24,355	-24,355		
Facility/area chgs	4,000	1,474	2,526	36.85	56.44
Other prop charges	2,500	48,500	-46,000	1,940.0	
Interest Earnings	24,000	53	23,947	.22	-.20
TOTAL REVENUES	3,857,550	1,580,427	2,277,123	40.97	39.38
EXPENDITURES					
Proprietary					
Sewer Operations	3,219,590	1,173,732	2,045,858	36.46	36.45
Total Proprietary	3,219,590	1,173,732	2,045,858	36.46	36.45
TOTAL EXPENDITURES	3,219,590	1,173,732	2,045,858	36.46	36.45
OTHER					
Depreciation	-330,000	-137,500	-192,500	41.67	41.67
Transfers Out	-181,000		-181,000		
GO Revenue Bonds	-58,177	-34,699	-23,478	59.64	62.29
TOTAL OTHER	-569,177	-172,199	-396,978	30.25	29.91
Net change in fund equity	68,783	234,495	628,243		
Fund equity, beginning		7,478,199			
Fund equity, ending		7,712,694			
Less invested in capital assets		4,725,848			
Net available fund equity		2,986,846			

Surface Water Mgmt
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Intergovernmental	3,660	1,736	1,924	47.42	50.81
Utility Charges	1,277,000	500,943	776,057	39.23	39.18
Late fees		7,180	-7,180		
Lake Impr Dist chgs	43,577	13,700	29,877	31.44	34.58
Other prop charges	5,000	2,440	2,560	48.80	32.80
Interest Earnings	8,000		8,000		
TOTAL REVENUES	1,337,237	525,998	811,239	39.33	39.31
EXPENDITURES					
Proprietary					
Snail Lake Aug.	27,277	5,300	21,977	19.43	19.01
Surface Water Oper	799,318	134,825	664,493	16.87	19.35
Total Proprietary	826,595	140,125	686,470	16.95	19.34
TOTAL EXPENDITURES	826,595	140,125	686,470	16.95	19.34
OTHER					
Depreciation	-248,000	-103,333	-144,667	41.67	41.67
Transfers Out	-147,000		-147,000		
GO Revenue Bonds	-82,116	-53,198	-28,918	64.78	75.11
TOTAL OTHER	-477,116	-156,532	-320,584	32.81	35.18
Net change in fund equity	33,526	229,342	445,353		
Fund equity, beginning		8,072,695			
Fund equity, ending		8,302,037			
Less invested in capital assets		6,135,855			
Net available fund equity		2,166,182			

Street Light Utility
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Utility Charges	493,000	194,021	298,979	39.36	39.32
Late fees		3,052	-3,052		
Interest Earnings	2,200		2,200		
Miscellaneous	500	120	380	24.01	
TOTAL REVENUES	495,700	197,193	298,507	39.78	39.69
EXPENDITURES					
Proprietary					
Street lighting	267,491	62,729	204,763	23.45	26.11
Total Proprietary	267,491	62,729	204,763	23.45	26.11
Capital Outlay					
Capital Projects		1,314	-1,314		
Total Capital Outlay		1,314	-1,314		
TOTAL EXPENDITURES	267,491	64,043	203,448	23.94	26.21
OTHER					
Depreciation	-58,000	-24,167	-33,833	41.67	41.67
Transfers Out	-20,400		-20,400		
TOTAL OTHER	-78,400	-24,167	-54,233	30.82	29.85
Net change in fund equity	149,809	108,984	149,292		
Fund equity, beginning		1,163,796			
Fund equity, ending		1,272,780			
Less invested in capital assets		432,561			
Net available fund equity		840,219			

Central Garage Fund
For Year 2014 Through The Month Of May

	Budget	Actual	Variance	Percent YTD	
				This Yr	Last Yr
REVENUES					
Property Taxes	184,000		184,000		
Intergovernmental	83,170	39,357	43,813	47.32	49.88
Cent Garage chgs	1,242,855	147	1,242,708	.01	.30
Interest Earnings	9,500		9,500		
Miscellaneous		150	-150		
TOTAL REVENUES	1,519,525	39,654	1,479,871	2.61	3.25
EXPENDITURES					
Proprietary					
Central Garage Oper	599,799	264,565	335,234	44.11	37.85
Total Proprietary	599,799	264,565	335,234	44.11	37.85
Capital Outlay					
Central Garage Oper		267,499	-267,499		
Total Capital Outlay		267,499	-267,499		
TOTAL EXPENDITURES	599,799	532,064	67,735	88.71	69.71
OTHER					
Sale of Asset	29,000	42,115	-13,115	145.22	44.82
Transfers In	119,400		119,400		
Depreciation	-660,000	-275,000	-385,000	41.67	41.67
GO CIP Bonds	-238,054	-121,623	-116,432	51.09	50.90
TOTAL OTHER	-749,654	-354,508	-395,147	47.29	56.71
Net change in fund equity	170,072	-846,917	2,019,852		
Fund equity, beginning		4,203,945			
Fund equity, ending		3,357,028			
Less invested in capital assets		3,228,575			
Net available fund equity		128,453			

INVESTMENT SCHEDULE BY SECURITY TYPE
AS OF 05-31-14

Seq#	Institution	Type	Term	Purchased	Matures	Principal	Yield
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CERTIFICATE DEPOSIT							
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1,141	Morgan Stanley Smith Barney LLC	CD	1,097	02-08-12	02-09-15	150,000.00	1.000000
1,208	Morgan Stanley Smith Barney LLC	CD	546	09-06-13	03-06-15	249,000.00	.700000
1,140	Morgan Stanley Smith Barney LLC	CD	1,461	02-08-12	02-08-16	248,000.00	1.150000
1,155	Morgan Stanley Smith Barney LLC	CD	1,461	05-16-12	05-16-16	98,000.00	1.250000
1,154	Morgan Stanley Smith Barney LLC	CD	1,645	05-16-12	11-16-16	248,000.00	1.300000
1,169	Morgan Stanley Smith Barney LLC	CD	1,826	07-25-12	07-25-17	248,000.00	1.550000
1,172	Morgan Stanley Smith Barney LLC	CD	1,826	07-26-12	07-26-17	247,000.00	1.700000
1,198	Dain Rauscher Investment Services	CD	1,826	04-11-13	04-11-18	247,000.00	1.259800
1,199	Dain Rauscher Investment Services	CD	1,826	04-24-13	04-24-18	248,000.00	1.000000
1,183	Dain Rauscher Investment Services	CD	2,191	09-27-12	09-27-18	249,000.00	1.308400
1,168	Dain Rauscher Investment Services	CD	3,652	07-25-12	07-25-2022	249,000.00	2.425000
1,181	Dain Rauscher Investment Services	CD	3,652	09-12-12	09-12-2022	249,000.00	2.325400
1,189	Dain Rauscher Investment Services	CD	3,652	12-07-12	12-07-2022	249,000.00	2.075100
1,167	Dain Rauscher Investment Services	CD	5,478	07-19-12	07-19-2027	238,000.00	3.416200
1,174	Dain Rauscher Investment Services	CD	5,477	07-31-12	07-30-2027	246,000.00	3.183400
Total Number Of Investments: 15						3,463,000.00	
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FEDERAL HOME LN BK							
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1,203	Wells Fargo Brokerage Services	FH	1,734	06-19-13	03-19-18	500,000.00	.999900
1,194	Morgan Stanley Smith Barney LLC	FH	2,848	03-12-13	12-28-2020	500,000.00	2.403000
1,159	Dain Rauscher Investment Services	FH	3,647	06-28-13	06-28-2022	605,000.00	2.956500
1,160	Dain Rauscher Investment Services	FH	3,647	06-28-13	06-28-2022	400,000.00	2.956500
1,171	Morgan Stanley Smith Barney LLC	FH	3,652	07-26-12	07-26-2022	600,000.00	2.761000
1,184	Morgan Stanley Smith Barney LLC	FH	3,652	09-28-12	09-28-2022	500,000.00	2.273700
1,209	Dain Rauscher Investment Services	FH	3,288	12-23-13	10-24-2022	485,000.00	3.506300
1,196	Morgan Stanley Smith Barney LLC	FH	3,652	03-27-13	03-27-2023	600,000.00	3.398100
1,206	Dain Rauscher Investment Services	FH	3,611	07-23-13	06-12-2023	496,250.00	3.310400
1,204	Dain Rauscher Investment Services	FH	5,448	06-21-13	05-15-2028	483,125.00	3.806300
Total Number Of Investments: 10						5,169,375.00	
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FEDERAL NATL MTG							
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1,158	Dain Rauscher Investment Services	FN	5,478	06-28-12	06-28-2027	600,000.00	3.664700
1,170	Dain Rauscher Investment Services	FN	5,475	07-26-12	07-23-2027	1,007,347.00	3.400000
1,173	Dain Rauscher Investment Services	FN	5,478	07-30-12	07-30-2027	600,000.00	3.498100
1,178	Dain Rauscher Investment Services	FN	5,478	08-13-12	08-13-2027	600,000.00	3.208200
1,195	Dain Rauscher Investment Services	FN	5,259	03-20-13	08-13-2027	575,000.00	3.921400

INVESTMENT SCHEDULE BY SECURITY TYPE
AS OF 05-31-14

Seq#	Institution	Type	Term	Purchased	Matures	Principal	Yield
1,200	Dain Rauscher Investment Services	FN	5,479	04-25-13	04-25-2028	1,000,000.00	3.497400
1,207	Dain Rauscher Investment Services	FN	-31,0	07-25-13	06-27-2028	496,500.00	4.419400
1,157	Dain Rauscher Investment Services	FN	7,305	06-21-12	06-21-2032	500,000.00	4.247100
Total Number Of Investments: 8						5,378,847.00	

FED HM MORTG POOL

1,179	Wells Fargo Brokerage Services	HP	2,556	08-22-12	08-22-19	500,000.00	1.399400
1,180	Wells Fargo Bank MN, NA	HP	2,556	08-22-12	08-22-19	460,000.00	1.399400
Total Number Of Investments: 2						960,000.00	

TAX EXMPT MNCPL BOND

1,197	Dain Rauscher Investment Services	MB	4,109	04-01-13	07-01-2024	232,528.00	5.744100
1,205	Dain Rauscher Investment Services	MB	4,113	06-28-13	10-01-2024	82,242.75	5.102700
Total Number Of Investments: 2						314,770.75	

TAXABLE MUNCPL BONDS

1,201	Dain Rauscher Investment Services	TM	1,554	04-30-13	08-01-17	452,342.50	1.546300
1,202	Dain Rauscher Investment Services	TM	1,919	04-30-13	08-01-18	493,511.75	1.846400
1,190	Dain Rauscher Investment Services	TM	2,302	12-11-12	04-01-19	503,020.00	1.349700
1,177	Wells Fargo Brokerage Services	TM	2,579	08-09-12	09-01-19	503,340.00	1.572100
1,192	Dain Rauscher Investment Services	TM	2,544	12-27-12	12-15-19	224,901.60	2.960600
1,191	Dain Rauscher Investment Services	TM	2,910	12-27-12	12-15-2020	235,407.30	3.392500
1,188	Dain Rauscher Investment Services	TM	3,494	12-05-12	06-30-2022	268,192.80	3.576000
1,193	Dain Rauscher Investment Services	TM	3,640	12-27-12	12-15-2022	250,218.50	3.742800
Total Number Of Investments: 8						2,930,934.45	

INVESTMENT SCHEDULE BY SECURITY TYPE
AS OF 05-31-14

Seq#	Institution	Type Term	Purchased	Matures	Principal	Yield
					18,216,927.20	
					1,411,130.48	
					2,167,823.60	
					8,440.35	
					176,600.42	
					2,500.00	
					126,220.82	
					22,109,642.87	

TO: MAYOR, CITY COUNCIL AND CITY MANAGER
FROM: MARK J. MALONEY, PUBLIC WORKS DIRECTOR
DATE: JUNE 16, 2014
SUBJ: PUBLIC WORKS MONTHLY REPORT

Administrative Activities

The Department work program remains dynamic and diverse to keep pace with issues and concerns in the community. Examples include:

- We are currently assessing exactly how the Railroad Quiet Zone funding provided in HF2490 will be made available to the City through MnDOT as stipulated by the Legislature.
- The continued wet weather and rebound in the groundwater levels has dramatically increased the number of locations staff is being asked to investigate as “drainage issues”.
- Complaints/concerns regarding the water quality in storm drainage ponds are increasing.
- The relatively minor repairs we had hoped to make on the City utilities near the County’s Highway 96 pavement repair near Dale Street will be much more involved. We will be reporting further and requesting City Council consideration of establishing a project and authorizing expenditures at the meeting on July 7, 2014.
- The Department continues to represent Shoreview interests on Met Council and Mn DNR workgroups involved with Water Supply topics.
- The Department will be presenting Shoreview’s proposal for a Water Consumption and Groundwater Awareness Project to the Legislative-Citizen Commission on Minnesota Resources (LCCMR) at the Capitol next week.
- Department staff recently attended a 5-hour training on evaluation of pedestrian crossings, including reviews of relevant State laws and research findings for various pavement marking and signage treatments for both high and low volume roads.
- We’ve been working with the Royal Court Townhome Association for the transfer in jurisdiction of Royal Court from a private to public street. The process took an unexpected turn when it was discovered that the road, as privately constructed in the 1980’s, actually crossed a portion of private property owned by the Hill Court Association to the north. We have facilitated a solution and expect that process to be completed this summer.

We’re in the process of filling the recently vacated Street Supervisor position, but are still less than fully staffed in the Street maintenance area. We have yet to staff the GIS intern position that had been anticipated in the department’s budget and are hoping to get to that soon.

Environmental Services

For the second summer Shoreview’s popular Emerald Ash Borer (EAB) Injection Program is now available to both public and private properties to preserve their significant ash trees. The City charges

the cost of the chemical to the resident for this service. To be a good candidate for treatment the tree's canopy should be full and dark green, with no visible symptoms of EAB. Many ash trees became fully "leafed out" the first week in June. Staff has performed 149 tree inspections on about 50 properties since then. Residents call to receive an inspection and the forestry intern leaves a quote based on the diameter of the tree. Several properties have already returned the contract and payment for the service. Four townhome associations are also interested in our program due to the reduced cost we offer.

The City recently partnered with the Tree Trust organization to assist in a tree inventory effort citywide. The inventory trainings are scheduled for Wednesday June 18th (6-8pm) and Saturday, June 21st (9-3) for the interested volunteers. Professional training from experts on tree identification, tree measurements and data collection is offered and volunteers will be provided all necessary inventory equipment. Volunteers will work when their schedule allows and will have the support of Tree Trust and City staff. There is no cost to participate as City staff and volunteer hours are counted as matching in-kind dollars.

The Free Spring Clean Up Day on May 17th generated significant interest from Shoreview residents. A complete report of these figures is below, but in general the number of vehicles utilizing the service increased approximately 40%, while the tonnages of items doubled or quadrupled! Approximately 126 vehicles were processed an hour.

Vehicles	Fall 2012	Spring 2013	Fall 2013	Spring 2014
Arden Hills	109	201	173	152
Shoreview	585	473	526	848
Total	694	674	699	1000

Items	unit	Spring 2013	Fall 2013	2013 Average	Spring 2014	Percent INCREASE
Trash	tons	44	35	39.5	77	94.9%
Const. Debris	tons	10	8	9	14	55.6%
Scrap Iron	tons	1.3	2.2	1.75	2.7	54.3%
Tires	tons	1.5	1.2	1.35	3	122.2%
E Waste	tons	8	6.3	7.15	25	249.7%
Appliances	ea	143	117	130	264	103.1%

Given the tremendous turnout and increase in items, it is apparent that there is a strong demand for this service from our residents. City staff will be reviewing this program and making recommendations to the City Council on how to improve Cleanup Day in the future.

The City must annually report on all stormwater activities with a public hearing and comment period. Notice of our 2013 Annual Report has been submitted to the newspaper with the public hearing scheduled for July 21st, 2014. Goals and activities of our Surface Water Pollution Prevention Plan (SWPPP) will be reviewed and staff will incorporate any resident feedback into the report and submit to the Minnesota Pollution Control Agency.

Metro Count Traffic Reporting

We have begun our seasonal traffic counting for residential roads. Currently we have two metro count units actively recording the volume of traffic on Shoreview residential streets. The City is broken into four zones; it is our goal to complete one zone each year. We are in our third year of this program and are approximately 3 months ahead of schedule. The map below shows the location of where the units will be counting.



Counting traffic on residential roads provides data that helps staff respond to resident's questions and concerns for traffic volumes and/or speeding in neighborhoods. The Metro Count units can be used to find specific patterns to the speeding including vehicle class, speed and time the speed is occurring. This information gives Ramsey County Sheriff's specific information to help address these issues.

The goal of this program is to have a system that allows residents to view traffic volumes, accident reports, deer collisions and other traffic data, all in one GIS system. This information can help educate residents and often times answer questions they might have regarding traffic in residential areas.

Maintenance Activities

Street crews are preparing streets scheduled for seal coating this summer by patching and crack filling. They have also been patching water main break repairs. Street sweeping continues as time permits and personnel resources are available. Crews have been inspecting and cleaning ponds and repairing catch basins as necessary. Street signs are being repaired/replaced and inspected as time permits. Two days each week someone for the street crew mows maintenance strip along the trails throughout the City. This is necessary and will continue throughout the growing season.

Utility crews inspect and perform routine maintenance and repairs to all of the six wells and 17 lift stations as well as the two water towers and the booster station each day. Crews completed a bi-annual cleaning of the lift stations. And on June 4th the Minnesota Department of Health came in and completed their annual inspection of all the wells, towers and booster station. Water samples were collected for

analysis. Also daily, they respond to meter repairs and location requests. During the construction season requests for marking City utilities in a proposed excavation increase. The City dedicates at least two city staff each day to perform this work throughout the summer months.

Utility crews are inspecting manholes and cleaning/jetting sewer pipe throughout the sanitary sewer system. Crews also continue to exercise gate valves, raise and or lower curb boxes and repair/replace hydrant flags.

Department of Corrections Crew – The DOC crew continues to start each day by cleaning the maintenance center lunchroom, bathrooms, offices and other common areas. They have been working with the environmental officer removing noxious weeds and dead brush from around ponds. They continue to work with the parks department maintaining flower beds and vegetation in flower beds around City Hall and the Community Center as well as in the medians along highway 96 and Lexington Avenue. As time permits they clean and detail trucks and equipment.

Project Updates

Owasso Street Re-alignment, Project 09-12 – The installation of the revised railroad signals on Victoria Street and the construction work for the Victoria Street/County Road E intersections is scheduled to begin June 16th. The railroad crossing and the Victoria Street/County Road E intersection will be closed to traffic for two weeks during the construction. Detours sign for the closure will be installed Monday morning and information about the closure and detour routes have been placed on the City website.

Red Fox Road Reconstruction, Project 12-04 – The contractor has been working on the final restoration of the site and should complete all work for the project by the end of the week.

County Road D Reconstruction, Project 13-01A – The contractor has been working on the final restoration of the site and should complete all work for the project in the next few weeks.

Cottage Place Reconstruction, Project 13-01B – All work for the project has been completed.

Water Treatment Plant – Preliminary Design Report – AE2S is currently preparing a design report for City review. City staff will present information from the report to the City Council at the July workshop.

Hanson/Oakridge Neighborhood Reconstruction – Project 14-01 – Xcel energy has started the replacement of the gas lines within the project area. The contractor will move on site and start the replacement of the water main in late June.

2014 Street Light Replacements – Project 14-03 – Council has authorized the purchase of poles and fixtures and accepted the low quote for installation to Q3 Contracting. The materials are scheduled to arrive in mid June with installation proposed in late June and July.

2014 Street Seal Coating – Project 14-04 – The project award is on the June 16th meeting. The low bid is Pearson Bros. The schedule is anticipated to be in July. We will be sealcoating Zone 7 which is the very south portion of Shoreview.

Trail Extension and Rehabilitation – Project 14-05 – The City Council approved plans and specifications for the project and authorized the taking of bids on July 1st.

Highway 96/ Dale Street Utility Repairs – Project 14-07 – This project is being completed as part of Ramsey County Highway 96 Concrete Rehabilitation Project. A portion of Highway 96 east of Dale Street has been settling due to poor soils and is being replaced. The City's water and sewer mains located in this area are being exposed and inspected in conjunction with the pavement replacement. The water main under the road has been inspected and appears to be in good condition. The sanitary sewer has settled and is not operating as designed. City staff is currently reviewing alternatives to address the settlement and operational issues.

Autumn Meadows Development – Project 14-06 – The developer's contractor has installed a majority of the sanitary sewer for the development and has started on the installation of the water main.

REGULAR COUNCIL MEETING
JUNE 16, 2014

t/monthly/monthlyreport2014

TO: MAYOR AND COUNCILMEMBERS

**FROM: TERRY SCHWERM
CITY MANAGER**

DATE: JUNE 11, 2014

SUBJECT: PARKS AND RECREATION MONTHLY REPORT

DEPARTMENT ACTIVITY

The summer recreation programs are now in full swing. Summer Discovery, our full-day school age child care program, started this week as did many of our playground and swimming lesson programs. The popular Farmers' Market begins next Tuesday, June 17th and continues every Tuesday through mid-October from 3 pm – 7 pm. The Concert in the Commons Summer Music Series will begin on Wednesday, June 18th at 7 pm. The opening night of the concert series will feature Divas Through the Decades, performing music from influential female artists from the 1950's through today. The concert series has a great mix of new and returning artists this year and will again feature different musical genres.

The conversion of two tennis courts to six pickleball courts at Bobby Theisen Park is underway. As approved by the Council several weeks ago, the entire asphalt surface was removed and the area was paved. In the next week to ten days, the contractor will be back to surface the new pickleball courts. A fence to separate each set of three courts will then be installed and the nets will be installed. We plan to have a ribbon cutting ceremony for an official opening of the courts in the next few weeks. We will coordinate this ribbon cutting with the Shoreview Area Pickleball Club.

COMMUNITY CENTER

The Fitness Center has remained active with an increase in the number of students who are home for the summer from college. A high volume of traffic was noticed in the strength training and free weight areas. There was a decline in use of treadmills and bikes as runners and cyclists take their daily workout routine outdoors with the improved weather conditions. New strength training and free weight equipment was ordered and should be arriving in the Fitness Center in mid August. MasterLink Sports performed the first of three annual preventative maintenance visits. Machines were cleaned, parts were assessed for replacement and upgraded under warranty, and many units received minor repairs, belt tightening, and lubrication which will prevent squeaks and malfunction.

The annual Totino Grace and Mounds View high school senior parties were hosted at the Community Center at the end of the month. Staff had several meetings with both groups and has made some notes on changes that will be implemented next year. Mounds Park Academy

also held their graduation party at the Community Center this year. They were very satisfied with this venue and are planning to schedule again next year.

Tropics Waterpark has stayed active with pool groups visiting for their end of the school year parties. Several maintenance issues have been addressed regarding the pool and hot tub. A floor drain at the east end of the waterpark is suspected of having some blockage. American Leaks and Midwest Sewer were out to examine the problem using a microscopic camera. The floor will need to be removed during shut down to be able to fix this problem. Other projects that will take place in the pool area during the annual shut down will be cleaning and painting the waterslide and waterslide stairs, painting the hot tub area, refurbishing the landing pads and pillars at the waterwalk, and replacing the whirlpool drain suction covers.

Staff have been preparing for the beginning of Summer Discovery and the wedding season. It becomes challenging switching room set ups from all day child care to wedding events, and then to church services. Every Saturday is booked this summer in the Shoreview Room for receptions. The Haffeman Pavilion is a popular destination for graduation parties. The themed birthday party rooms have been booked steadily throughout the month hosting birthday party packages. The new themed birthday parties continue gaining in popularity. The birthday party rooms, all meeting rooms, and the pavilion are used for Summer Discovery during the week. The Haffeman pavilion will also once again be host to the Summer Concert Series which will begin on June 18th.

Membership sales increased slightly compared to last May. Staff has noticed that membership retention has not been as favorable these past few months. Although membership revenue has remained consistent, the prepaid annual memberships are not renewing as much as they did in the past. Staff has drafted a letter and survey to mail to any members that cancel or do not renew this month. Seasonal memberships have started to increase in popularity after declining the past few years. The new pickleball program might be one factor that is influencing this new trend. The thirty days for thirty dollars membership promotion was once again a great success. Over 325 memberships have been sold bringing in nearly \$10,000.00 in revenue.

RECREATION PROGRAMS

The spring session of swimming lessons finished with a total of 860 participants. This was comparable to the 2013 spring session. There was a significant increase in private lessons this year. Many parents value the flexibility of private lessons and are willing to pay the additional cost. Staff is evaluating the schedule in an effort to offer more private and custom private time slots. There has also been an increasing interest in beginner level swimming lessons. Many parents want their children to have some introductory water safety skills before the beginning of summer.

Summer Discovery began this week with 251 participants enrolled for the summer child care program. In addition to the daily activities planned by staff, participants have the option of registering for enrichment activities such as private piano and guitar lessons, swim lessons,

sports classes, tutoring sessions, language classes, and craft and science classes. These class options are very popular this year with 435 participants enrolled.

Adventure Quest also began this week with 142 participants ages 3-14 in our Tiny Trekkers and Travelers classes. This is a 20% increase compared to last year. Adventure Quest also encompasses afternoon Academy classes that focus on a new theme every two weeks, as well as Friday Fun days and Wet & Wild. Some of the new themes for Adventure Quest Academy are Secret Agent Lab which focuses on science projects and Super Space Cadets which emphasizes exploration of the universe. Currently, there are 155 participants registered for Academy classes and Friday Fun days. The puppet wagon will be starting another season of theatrical shows free of charge at neighborhood parks on Monday, June 16th.

The summer tennis program is ready to begin. This instructional program gives children and adults an opportunity to learn the game of tennis through group lessons, private lessons and youth leagues. We currently have 110 participants enrolled in group lessons, 19 participants in private lessons and 7 participants in the youth team tennis league. Registration will continue to increase with additional classes being offered in July and August.

The Mounds View sports camps expanded its offerings this spring by partnering with the Mounds View girls basketball coach David Montgomery. A new skills camp was introduced to girls in grades K through 9. This camp focused on skill development including practicing fundamentals and participating in scheduled scrimmages. This camp was very well received with 36 participants registered this session.

Staff is prepared for the beginning of the Farmers market season on June 17th. The traditional opening day will feature Mayor Martin distributing slices of watermelon to customers. New vendors that have been added this year are Roast and Brew which offers several varieties of coffee beans, Sohoco.ink which supplies an assortment of various Asian sauces, and Artisan MN which specializes in different flavored condiments such as mustards and sauerkraut.

PARKS MAINTENANCE CREW

It has been a challenge for our parks maintenance crew to keep up with the mowing as a result of the heavy rains in May. We have had enough rain that has made some areas hard to get into. We have had to sweep up clippings once we were able to mow them. We are trying to mow everything at least once a week. The crew was able to get Broadleaf Herbicide sprayed at almost all the parks. The new sprayer that was purchased this spring has made an easier job of spraying weeds. The crew is also in the process of fertilizing all the parks. We are currently better than half way through the parks and Community Center right now. We have had all the irrigation systems tested. We are in the process of turning on the systems and making any necessary repairs. The crew over seeded the soccer fields at Bucher Park. We will be applying a starter fertilizer to try and boost the growth. We still hope that those fields will be playable this season.

The crew, along with the DOC crew, deadheaded all the plants in the beds at the Community Center. The Parks crew pulled weeds and spread mulch on all of those beds. The DOC crew is in the process of pulling weeds and mulching at the Library. The DOC crew has made one pass along Highway 96 pulling weeds. The Parks crew has removed several dead trees. We have five more trees to take down between the Parks and the Community Center. Once they are all down, a contractor will come in and grind out the stumps. The crew has planted all the pots and beds with annual flowers. They add some color in front of the Community Center until the perennials bloom. With the severe winter this past season, almost all of the roses on the two beds on Lexington have died. We'll be going out for bid to replace all those plants later this summer.

With all the rain, there were several fields both for baseball and soccer that weren't usable for some time. With more seasonable weather the past several days, youth associations can start using them again. The crew continues to drag and line up 14 fields a day now. All the soccer fields and lacrosse fields have been installed for summer use. We have had to paint them once a week with all the rain washing out the lines. The new paint rig uses less paint than the last one, so that helps some. The tennis courts at Bucher Park have been resurfaced. The far court at Theisen Park that was previously used for roller hockey has been turned back into a tennis court.

The crew has finished its first round of park and playground inspections. All replacement parts have arrived and been installed. The crew has repaired some leaking toilets at Rice Creek Fields. They have also repaired the scoreboards there as well as the ones at Sitzler Park. After the posts had rotted off of a trail sign at McCullough Park, the crew made new posts and put back up the sign.

The crew continues to pick up trash on a daily basis at the Community Center, the Library and the Parks. The trash receptacles are dumped on an as needed basis, which is at least twice a week now that games are being played at all of our parks. The crew continues to clean up waste at the three off leash dog walk areas in the Parks. The crew continues to clean the restrooms at Rice Creek Fields on a daily basis. The restrooms at the pavilion are cleaned before each rental. Now that Summer Discovery is starting up, the pavilion will need to be cleaned twice a day if there are evening rentals or activities scheduled.

COMMUNITY CENTER CREW

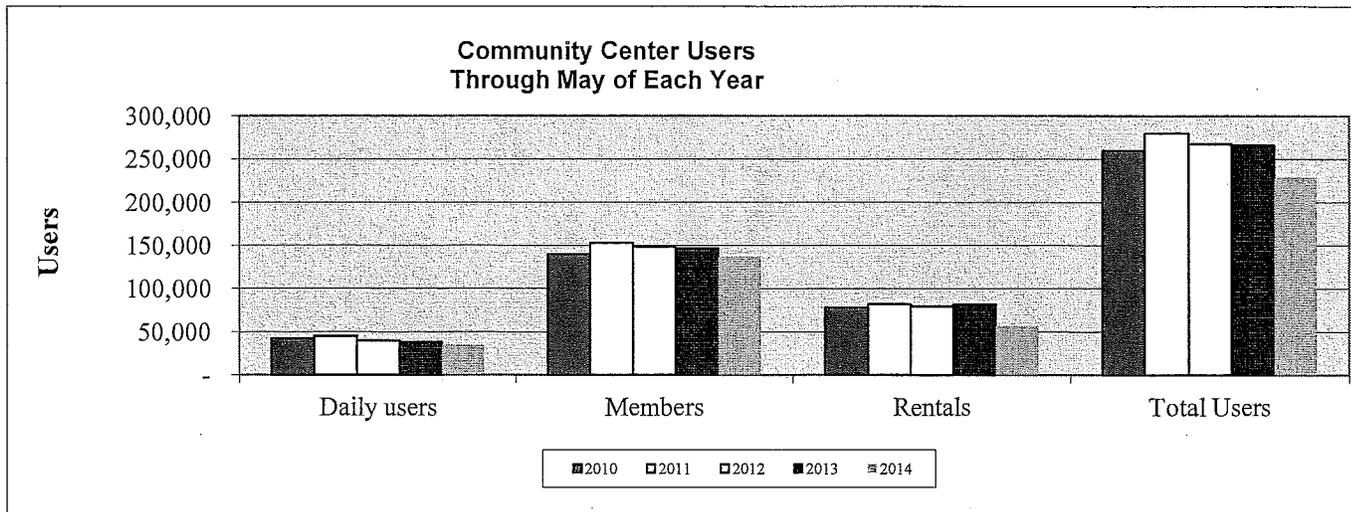
The crew has been working hard to keep the building on its cleaning schedule. That has been difficult this month with three Senior Overnights the past two weeks. Despite that workload, the crew was able to accomplish some extra tasks. They cleaned carpet on the lower level, the meeting rooms and in the Park and Recreation lobby. They have been trying to get control of the dust in the playground, but with all the rain, the playground has been very busy. A contractor added a new toddler climbing structure. They did not bring the pad for the wall when they installed it. The new pad should be ready and installed in the next week or so.

Work orders for repairs keep skyrocketing. We finished the month of May almost 60 work orders ahead of where we were at the end of June of 2013. Last year we finished the year over 4,200 work orders. At our current rate, we'll probably be close to 4,700 work orders for the year.

**Community Center Activity Year-to-date
Through May Each Year**

	2010	2011	2012	2013	2014
Number of Users:					
Daily users	42,164	45,109	39,551	38,162	34,988
Members	139,659	152,952	148,624	146,341	137,221
Rentals	77,783	81,980	79,485	81,862	56,990
Total Users	259,606	280,041	267,660	266,365	229,199
Revenue:					
Admissions	\$ 249,225	\$ 285,215	\$ 270,333	\$ 305,061	\$ 298,054
Memberships-annual	327,922	382,110	394,713	407,110	419,864
Memberships-seasonal	47,117	45,265	42,928	42,231	46,491
Room rentals	103,409	112,949	105,814	136,556	135,615
Wave Café	82,674	98,098	87,040	104,652	108,528
Commissions	2,579	2,359	4,389	2,292	2,899
Locker/vending/video	14,119	10,836	9,687	9,136	8,838
Merchandise	4,502	5,804	6,638	7,129	5,206
Other miscellaneous	237	811	103	(118)	(96)
Transfers in	129,170	123,750	125,000	130,000	141,250
Total Revenue	960,954	1,067,197	1,046,645	1,144,049	1,166,649
Expenditures:					
Personal services	490,068	494,221	517,078	587,876	579,070
Supplies	155,379	186,817	187,769	216,637	202,836
Contractual	175,639	181,619	226,676	218,003	169,735
Other	-	-	5,727	-	-
Total Expenditures	821,086	862,657	937,250	1,022,516	951,641
Rev less Exp Year-to-date	\$ 139,868	\$ 204,540	\$ 109,395	\$ 121,533	\$ 215,008

*



* Rental users in 2010 and later years include Summer Discovery Prgm

**Community Center Monthly Activity
For the Year 2013**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of Users:													
Daily users	7,974	7,000	10,931	7,185	5,072	4,871	4,514	4,366	2,652	4,319	5,986	5,703	70,573
Members	32,422	28,240	31,139	29,472	25,068	23,723	24,641	22,833	20,314	23,469	25,962	26,112	313,395
Rentals	14,163	13,945	18,510	17,220	18,024	56,444	55,100	52,526	21,071	17,579	15,574	14,768	314,924
Total Users	54,559	49,185	60,580	53,877	48,164	85,038	84,255	79,725	44,037	45,367	47,522	46,583	698,892
Revenue:													
Admissions	\$ 50,299	\$ 47,292	\$ 88,714	\$ 54,738	\$ 33,185	\$ 45,769	\$ 43,304	\$ 38,274	\$ 16,516	\$ 28,873	\$ 36,362	\$ 40,536	\$ 523,862
Indoor playground	6,216	6,569	8,744	5,824	3,480	2,899	2,312	2,293	2,074	4,695	6,268	5,270	56,644
Memberships	124,779	85,193	94,796	77,552	67,021	68,231	68,319	76,179	77,643	83,624	112,181	168,187	1,103,705
Room rentals	27,440	26,030	29,824	25,609	27,653	28,573	17,165	27,021	22,877	21,760	21,612	27,642	303,206
Wave Café	20,972	18,003	31,703	19,174	14,800	16,404	15,062	17,706	10,252	14,741	15,558	16,389	210,764
Commissions	-	426	456	793	617	-	3,168	1,347	1,848	3,074	144	152	12,025
Locker/vending/video	(4)	3,139	1,364	1,973	2,664	2,655	1,716	1,819	1,546	1,743	1,490	3,053	23,158
Merchandise	1,331	1,014	1,807	1,794	1,183	1,614	1,312	1,214	574	724	811	625	14,003
Other miscellaneous	(73)	(20)	(228)	153	50	19	19	42	7	12	-	13,428	13,409
Building charge	-	-	-	-	-	103,000	-	-	-	-	-	-	103,000
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	312,000
Total Revenue	256,960	213,646	283,180	213,610	176,653	295,164	178,377	191,895	159,337	185,246	220,426	301,282	2,675,776
Expenditures:													
Personal services	82,812	114,612	117,601	109,051	163,800	118,822	114,033	118,407	111,010	108,598	164,022	150,738	1,473,506

**Community Center Monthly Activity
For the Year 2012**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of Users:													
Daily users	8,757	9,853	10,137	6,003	4,801	4,914	6,289	6,089	2,547	4,594	5,805	6,732	76,521
Members	34,702	31,137	29,693	27,472	25,620	25,094	26,585	24,860	19,992	25,021	27,312	26,728	324,216
Rentals	16,398	16,066	14,860	17,120	15,041	37,529	35,345	70,550	16,533	16,421	17,160	18,856	291,879
Total Users	59,857	57,056	54,690	50,595	45,462	67,537	68,219	101,499	39,072	46,036	50,277	52,316	692,616
Revenue:													
Admissions	\$ 55,671	\$ 45,702	\$ 67,428	\$ 40,239	\$ 34,868	\$ 46,024	\$ 51,546	\$ 45,866	\$ 10,568	\$ 25,520	\$ 33,548	\$ 43,987	\$ 500,967
Indoor playground	6,678	6,845	4,850	4,128	3,924	2,494	3,265	3,054	2,610	4,722	5,376	6,296	54,242
Memberships	121,572	92,089	86,050	68,705	69,225	72,207	69,527	74,020	81,313	93,797	105,112	204,093	1,137,710
Room rentals	24,441	25,231	15,536	21,979	18,627	26,549	17,245	22,644	19,042	22,895	19,661	21,336	255,186
Wave Café	20,842	16,592	21,932	13,945	13,729	15,760	15,655	18,985	7,176	14,782	15,495	17,458	192,351
Commissions	279	-	1,424	350	2,336	1,680	1,336	1,357	2,243	1,907	1,272	362	14,546
Locker/vending/video	1,016	3,015	1,869	2,685	1,102	2,374	1,055	1,961	3,039	1,764	1,207	5,366	26,453
Merchandise	1,177	1,164	1,935	997	1,365	1,214	1,633	1,537	726	963	890	920	14,521
Other miscellaneous	53	10	31	(33)	42	71	59	(104)	50	37	(24)	480	672
Building charge	-	-	-	-	-	100,000	-	-	-	-	-	1,757	101,757
Interest	-	-	-	-	-	-	-	-	-	-	-	14,100	14,100
Transfers in	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Total Revenue	256,729	215,648	226,055	177,995	170,218	293,373	186,321	194,320	151,767	191,387	207,537	341,155	2,612,505
Expenditures:													
Personal services	86,352	110,691	109,922	103,825	106,288	160,760	111,336	114,288	102,560	99,313	158,281	136,353	1,399,969

MOTION SHEET

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To approve the following payment of bills as presented by the finance department.

Date	Description	Amount
06/03/14	Accounts payable	\$64,430.95
06/05/14	Accounts payable	\$22,693.01
06/06/14	Accounts payable	\$41,431.79
06/06/14	Accounts payable	\$5,000.00
06/09/14	Accounts payable	\$195,147.48
06/11/14	Accounts payable	\$102,577.43
06/16/14	Accounts payable	\$284,505.88
	Sub-total Accounts Payable	\$ 715,786.54
06/13/14	Payroll 126811 to 126872 967390 to 967623	\$166,725.01
	Sub-total Payroll	
	TOTAL	\$ 882,511.55

ROLL CALL:	AYES	NAYS
Johnson		
Quigley		
Wickstrom		
Withhart		
Martin		

06/16/14

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
4IMPRINT	SUPERSITTER SACKS	225	43520	2170		005	\$187.72	
AMSAN BRISSMAN KENNEDY	FLOOR CLEANER	220	43800	2110			\$23.43	\$23.43
AMSAN BRISSMAN KENNEDY	MOLDSTAT PLUS	220	43800	2110			\$179.12	\$179.12
AMSAN BRISSMAN KENNEDY	LOTION	220	43800	2110			\$169.00	\$169.00
AMSAN BRISSMAN KENNEDY	PAPER TOWELS/MILDEW REMOVER/FLOOR CLEAN	220	43800	2110			\$1,415.60	\$1,415.60
AMSAN BRISSMAN KENNEDY	BATH TISSUE/CAN LINER/FOAM SOAP	220	43800	2110			\$453.31	\$453.31
AMSAN BRISSMAN KENNEDY	EXTENSION CORD	220	43800	3890			\$70.53	\$70.53
AMSAN BRISSMAN KENNEDY	BATH TISSUE/CAN LINER/SOAP	220	43800	2110			\$450.22	\$450.22
ARNT CONSTRUCTION CO INC	CO RD D/COTTAGE PL CP13-01 PYMNT NO 7	574	47000	5900			\$13,462.85	\$13,462.85
BEISSWENGERS HARDWARE	GOO GONE/NUTS/BOLTS	220	43800	2240		001	\$34.86	\$34.86
BEISSWENGERS HARDWARE	LIGHTER/SNAP BLADE KNIFE	220	43800	2240		001	\$17.37	\$17.37
BROWN, RAYMOND	SOFTBALL UMPIRE MAY 13 & 20	225	43510	3190		001	\$96.00	\$96.00
COCA COLA REFRESHMENTS	WAVE CAFE BEVERAGE FOR RESALE	220	43800	2590		001	\$603.90	\$603.90
CREATIVE WATER SOLUTIONS, LLC	POOL MOSS	220	43800	2240		003	\$179.55	\$179.55
DAVE'S SPORT SHOP	YOUTH SPORTS LEAGUES - HELMETS	225	43510	2170		008	\$182.01	\$182.01
GAV-STEM BUNNIES	ENTERTAINMENT FOR EGG HUNT 4/12/14	225	43580	2172		001	\$120.00	\$120.00
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 05-30-14	101	20431				\$1,183.85	\$1,183.85
GRABOWSKI, KATHRYN	OFFICE DEPOT	225	43520	2170		002	\$7.69	\$7.69
GRAINGER, INC.	OUTLET STRIP/6 OUTLETS/PUTTY	220	43800	2240		001	\$12.68	\$12.68
GRAINGER, INC.	CARBON CARTRIDGE	220	43800	2240		001	\$26.30	\$26.30
GRAINGER, INC.	FLUORESCENT LINEAR LAMP	220	43800	2240		001	\$144.13	\$144.13
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.41	\$15.41
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.44	\$15.44
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.40	\$15.40
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$16.28	\$16.28
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$16.28	\$16.28
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.38	\$15.38
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.40	\$15.40
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.42	\$15.42
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.39	\$15.39
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$16.26	\$16.26
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$16.28	\$16.28
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.43	\$15.43
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.42	\$15.42
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001	\$15.40	\$15.40
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$23.75	\$23.75
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001	\$19.99	\$19.99
HAWKINS, INC.	HAWKINS CHEMICAL DELIVERY	220	43800	2160		001	\$1,329.82	\$1,329.82

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
HEGGIE'S PIZZA LLC	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$237.40	\$237.40
INTERNATIONAL CODE COUNCIL INC	CONFERENCE - STEVE NELSON	101	44300	4500				\$600.00	\$600.00
JEWELL, TED W.	SOFTBALL UMPIRE MAY 14,15,21,22	225	43510	3190		001		\$192.00	\$192.00
LEAGUE OF MN CITIES INS TRUST	PROPERTY/LIABILITY INS-3RD INSTALLMENT	101	40500	3410				\$11,428.10	\$32,904.50
		101	40800	3410				\$396.50	
		101	41200	3410				\$279.75	
		101	41500	3410				\$218.75	
		101	43450	3410				\$274.75	
		101	43710	3410				\$5,205.75	
		210	42750	3410				\$98.52	
		220	43800	3410				\$2,356.36	
		225	43400	3410				\$286.07	
		230	40900	3410				\$34.33	
		601	45050	3410				\$1,286.86	
		602	45550	3410				\$5,134.35	
		603	45850	3410				\$187.25	
		603	45900	3410				\$276.50	
		604	42600	3410				\$52.66	
		701	46500	3410				\$5,388.00	
LILLIE SUBURBAN NEWSPAPERS INC	WEB AD CAMPS	225	43400	3390				\$10.00	
LILLIE SUBURBAN NEWSPAPERS INC	CAMP GUIDE	225	43400	3390				\$75.00	\$75.00
MALIKOWSKI, RODNEY P.	SOFTBALL UMPIRE MAY 15 & 22	225	43510	3190		001		\$96.00	\$96.00
MENARDS CASHWAY LUMBER **FRIDL	POLY PIPE BOOSTER	601	45050	3190		003		\$3.99	\$3.99
MINNESOTA DEPARTMENT OF HEALTH	COMMUNITY CENTER CAFE HOSPITALITY FEE	220	43800	2590		002		\$35.00	\$35.00
MINNESOTA DEPARTMENT OF HEALTH	JOSLIN/CLASS C LIC	601	45050	4500		003		\$23.00	\$23.00
MOORE MEDICAL, LLC	MEDICAL SUPPLIES FOR BUILDING	225	43520	2170		003		\$23.40	\$85.64
		220	43800	2180		002		\$62.24	
NORTHERN ELECTRICAL CONTRACTOR	INSTALL OUTLETS/REPAIR LIGHTS/BALLAST	220	43800	3810		003		\$2,335.51	\$2,335.51
NORTHERN ELECTRICAL CONTRACTOR	REPAIR LIGHT FIXTURE IN GYM	220	43800	3810		004		\$131.75	\$131.75
PLUMBMASTER, INC	SOLENOID VALVE ASSEMBLY	220	43800	2240		001		\$155.99	\$155.99
PORTER, DANIEL	SOFTBALL UMPIRE MAY 12	225	43510	3190		001		\$48.00	
PRESS PUBLICATIONS	LAKE AREA GUIDE-DAILIES PARTY IN TROPICS	220	43800	2201		002		\$642.00	\$642.00
PRESS PUBLICATIONS	RESIDENT GUIDE-30 DAYS 30 DOLLARS	220	43800	2201		001		\$369.00	\$369.00
RUGRODEN, JOHN L.	SOFTBALL UMPIRE MAY 14 & 21	225	43510	3190		001		\$96.00	\$96.00
SAARION, CARL	SOFTBALL UMPIRE MAY 13 & 20	225	43510	3190		001		\$96.00	\$96.00
SCHOOL-TECH, INC	YOUTH SPORTS LEAGUES: VINYL BASES & TEES	225	43510	2170		008		\$296.65	\$296.65
SCHOOL-TECH, INC	YOUTH SPORTS/CATCHER GEAR & BALLS	225	43510	2170		008		\$293.09	\$293.09
SHORT ELLIOTT HENDRICKSON, INC	SHOREVIEW ANTENNAS	601	22015					\$3,422.49	\$3,422.49
SYSCO FOOD SERVICES OF MN, INC	WAVE CAFE FOOD FOR RESALE	220	43800	2591		001		\$140.96	\$410.55
		220	43800	2590		001		\$269.59	
TARGET COMMERCIAL INVOICE	ALCOHOL WIPES	225	43520	2170		003		\$7.58	
TEKAUTZ, TIMOTHY	SOFTBALL UMPIRE MAY 13 & 20	225	43510	3190		001		\$96.00	\$96.00
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$664.45	\$664.45
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$157.99	\$157.99
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590		001		\$5.10	\$5.10

Total of all invoices: \$64,430.95

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COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
ACE SOLID WASTE	DUMPSTER SERVICE CC AND PARKS	220	43800	3640				\$1,079.08	\$1,645.80
		101	43710	3950				\$566.72	
ACT ASPHALT SPECIALTIES	CURB & ST REPAIR 600 EMIL AVE RES 14-33	101	22020					\$1,500.00	
ASSURANT ADMINISTRATIVE OFFICE	LONG TERM DISABILITY: JUNE 2014	101	20412					\$1,993.26	\$1,993.26
BARNES, NINA	PASS REFUND	220	22040					\$328.00	\$328.00
BENNETT, MARCIA	PT WENDY 3 SESSIONS	220	22040					\$143.50	\$143.50
CLASSIC CATERING/PICNIC PLEASE	DEPOSIT EMPLOYEE RECON SUMMER EVENT	101	40210	4890		002		\$200.00	\$200.00
COOMES, MICHAEL	PASS REFUND	220	22040					\$134.14	\$134.14
COSGROVE, BRIAN	SOFTBALL (GRD 3-5)	220	22040					\$52.00	\$52.00
CREGAN, JESSE	FACILITY REFUND	220	22040					\$25.00	\$25.00
DAVIS LOCK & SAFE	REPLACEMENT KEYS CC	220	43800	2240		001		\$14.19	\$14.19
DICK, CARRIE	LITTLETYKES BASEBALL	220	22040					\$50.00	\$50.00
ESPE, FRED	REIMBURSEMENT/GFOA PARKING MINNEAPOLIS	101	40500	4500		015		\$30.00	\$30.00
EVERT, CLAYTON	AQUATICS - LEVEL 2.5	220	22040					\$68.00	\$68.00
FAGERLEE, TARA	SOCCER LEA AGE 4-K	220	22040					\$47.00	\$47.00
FRATTALONE COMPANIES, INC.	EROSION RED 777 COTTAGE PL RES 14-33	101	22030					\$1,000.00	\$1,000.00
GEBRETSADIK, MENDEREN	FACILITY REFUND	220	22040					\$25.00	\$25.00
GENESIS EMPLOYEE BENEFITS, INC	ADMINISTRATION FEE: MAY 2014	101	20416					\$360.80	\$360.80
GOODPOINTE TECHNOLOGY INC	ROAD CONDITION SURVEY	404	42200	3190				\$3,600.00	
HANSON, SUSAN	AQ LEADERS IN TRAINI	220	22040					\$60.00	\$60.00
HER, WILAN	TBALL LEAGUE AGE 4-5	220	22040					\$47.00	\$47.00
HILL, NICOLE	REIMBURSEMENT/MEETING SUPPLIES	101	44100	2010				\$40.14	\$40.14
HORN, PETER	SOCCER LEA GRADE 1-2	220	22040					\$47.00	\$47.00
KANSAS STATE BANK-GOVT FINANCE	CONTRACT LEASE PAYMENT/JUNE 2014	220	43800	3960		003		\$1,089.00	\$1,089.00
KANSAS STATE BANK-GOVT FINANCE	CONTRACT LEASE PAYMENT/JUNE 2014	220	43800	3960		004		\$1,320.00	\$1,320.00
LOESCH, JASON	PASS REFUND	220	22040					\$40.00	\$40.00
LOMANNO, SUSAN	PASS REFUND	220	22040					\$20.00	\$20.00
NELSON, PATTY	BBALL GR 6-7 SESS 1	220	22040					\$85.00	\$85.00
NORWAY BUILDERS	EROSION RED 316 LION LN RES 14-33	101	22030					\$1,000.00	\$1,000.00
OF USA & CANADA, OKUAPEMMAN AS	FACILITY REFUND	220	22040					\$100.84	\$100.84
OSTERMAN, DIMITRA	FACILITY REFUND	220	22040					\$25.00	\$25.00
PARTY, MVHS SENIOR	FACILITY REFUND	220	22040					\$420.00	\$420.00
PETTY, AMY	SOCCER LEA GRADE 3-4	220	22040					\$47.00	\$47.00
PRUDHOMME, JODY	LITTLETYKES BASEBALL	220	22040					\$50.00	\$50.00
RYAN, CATRINA	TBALL LEAGUE AGE 4-5	220	22040					\$72.00	\$72.00
SAMEC, PAMELA	TBALL LEAGUE AGE 4-5	220	22040					\$94.00	\$94.00
SUJJAPUNROJ, KALONG	SMART DRIVER (5/20)	220	22040					\$23.00	\$23.00
SUNG, SANG-YEOB	LITTLETYKES BASEBALL	220	22040					\$50.00	\$50.00
T-MOBILE	WATER TOWER CARD-4/27-5/26/14	601	45050	3190				\$58.39	\$58.39
TARGET COMMERCIAL INVOICE	SWIM LESSONS AND PUNCH CARD SUPPLIES	225	43520	2170		001		\$13.12	\$15.31
		225	43520	2170		002		\$2.19	
THOMAS, KEVIN	WEKO VBALL (GRD 3-6)	220	22040					\$100.00	\$100.00
TIVOLITOO, INC	POOL SHUTDOWN PAINTING DOWN PAYMENT	220	43800	3810		007		\$5,274.28	\$5,274.28
US FOODS CULINARY EQUIPMENT IN	20" PLASTIC REPLACEMENT HOUSING	220	43800	2240		001		\$43.36	\$43.36
WANG, CHUNFANG	VOLLEYBALL CAMP	220	22040					\$82.00	\$82.00
WAZWAZ, MOHAMMED	FACILITY REFUND	220	22040					\$50.00	\$50.00
WEAVER, SARAH	FACILITY REFUND	220	22040					\$25.00	\$25.00
WSB & ASSOCIATES, INC.	CONSTRUCTION OBSERVATION AUTUMN MEADOWS	448	47000	5910				\$848.00	\$848.00
YANG, PHILIP	FACILITY REFUND	220	22040					\$350.00	\$350.00

Total of all invoices: \$22,693.01

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COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
MINNESOTA DEPARTMENT OF REVENUE	SALES USE TAX: APRIL 2014	220	21810					-\$11,249.00	
		701	46500	2120		003		-\$87.00	
		601	21810					-\$1,496.00	
		101	40500	2010				-\$2,666.00	
		101	40500	2010				\$21.00	
BEAR ROOFING & EXTERIORS, INC.	PERMIT REFUND 2013-02297	101	32500					\$182.80	\$191.80
		101	34850					\$5.00	
		101	20802					\$4.00	
GRAINGER, INC.	CONTAINER 44QT	220	43800	2240		001		\$41.16	\$41.16
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.43	\$15.43
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.42	\$15.42
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.42	\$15.42
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.30	\$16.30
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$16.31	\$16.31
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.43	\$15.43
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.43	\$15.43
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590		001		\$15.44	\$15.44
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$23.75	\$23.75
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$23.75	\$23.75
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$23.75	\$23.75
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591		001		\$19.99	\$19.99
KREBSBACH, JAQUELINE	SLICE COORDINATOR 1ST INSTALLMENT	270	40250	3190		007		\$3,300.00	
MATHESON TRI-GAS INC	CO2	220	43800	2160		002		\$96.44	\$96.44
METROPOLITAN COURIER CORPORATI	ARMORED CAR SERVICES: MAY 2014	101	40500	4890		001		\$96.25	\$385.00
		220	43800	4890		001		\$96.25	
		601	45050	4890		001		\$96.25	
		602	45550	4890		001		\$96.25	
MINNESOTA DEPARTMENT OF REVENUE	Sales Use Tax	101	43710	2110				-\$13.75	\$15,477.00
		101	40200	3210		300		\$25.73	
		101	40200	3930		200		-\$126.27	
		101	40210	3190		009		-\$0.02	
		101	40550	2010		100		-\$2.29	
		101	40550	3860		400		\$32.60	
		220	43800	2010		001		\$9.81	
		220	43800	2110				-\$66.43	
		220	43800	2140				\$332.60	
		220	43800	2160		002		-\$0.24	
		220	43800	2180		001		\$24.03	
		220	43800	2180		002		\$52.66	
		220	43800	2200		004		-\$0.24	
		220	43800	2240		001		\$261.37	
		220	43800	2240		003		\$129.02	
		220	43800	3190		001		-\$0.41	
		220	43800	3190		007		\$82.23	
		220	43800	3610				\$850.73	
		220	43800	3890				-\$0.09	
		220	43800	3960		003		\$74.87	
		220	43800	3960		004		\$90.75	
		225	43510	2170		001		\$83.87	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
GENESIS EMPLOYEE BENEFITS, INC	VEBA CONTRIBUTIONS:05-02-14	101	20418				-\$5,430.00	-\$5,430.00
GENESIS EMPLOYEE BENEFITS, INC	VEBA CONTRIBUTIONS: 05-16-14	101	20418				-\$5,730.00	-\$5,730.00
GENESIS EMPLOYEE BENEFITS, INC	VEBA CONTRIBUTIONS: 05-16-14	101	20418				\$5,730.00	
GENESIS EMPLOYEE BENEFITS, INC	VEBA CONTRIBUTIONS:05-02-14	101	20418				\$5,430.00	\$5,430.00
TURTLE LAKE ELEMENTARY SCHOOL	TURTLE LAKE PLAYGROUND	401	43710	4890			\$5,000.00	\$5,000.00
							Total of all invoices:	\$5,000.00

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
TURTLE LAKE ELEMENTARY SCHOOL	TURTLE LAKE PLAYGROUND	401	43710	4890			-\$5,000.00	-\$5,000.00
AUTOMOTIVE REFLECTIONS	INS CLAIM C0031540/UNIT 603 REPAIR	260	47400	4340			\$922.00	\$922.00
HILL, NICOLE	MILEAGE REIMBURSEMENT	101	44100	3270			\$26.32	\$26.32
MAD SCIENCE OF MN	SUMMER DISCOVERY FIELD TRIP	225	43535	3190		001	\$765.00	\$765.00
METROPOLITAN COUNCIL	SEWER SERVICE-JULY 2014	602	45550	3670			\$150,952.26	\$150,952.26
MOUNDS VIEW PUBLIC SCHOOLS/DIS	BUS REIMBURSEMENT - TRACK PROGRAM	225	43510	3190		014	\$2,650.00	
NEOFUNDS BY NEOPOST	POSTAGE/INVOICE 11208152	101	40200	3220			\$3,000.00	\$3,000.00
NEUMAN POOL, INC.	REPAIRS/POOL UV SYSTEM	220	43800	3810		007	\$1,132.30	\$1,132.30
OFFICE DEPOT	RECEIPT PAPER-CITY HALL	101	40500	2010		008	\$7.88	\$7.88
OFFICE DEPOT	RECEIPT PRINTER INK	101	40500	2010		008	\$15.96	\$15.96
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40200	2010		002	\$161.47	\$161.47
OFFICE DEPOT	TALLY COUNTER - CLEAN UP DAY	210	42750	2180			\$5.98	\$5.98
PMA FINANCIAL NETWORK, INC	APRIL 2014 BANK FEES	101	40500	4890		004	\$132.45	\$132.45
RICOH USA INC.	RICOH 821DN PRINTER/5-28/8/27/14	101	40550	3860		004	\$55.44	\$55.44
RICOH USA INC.	MAINTENANCE: RICOH COPIERS	101	40200	3850		002	\$3,091.23	\$3,091.23
RICOH USA INC.	MAINTENANCE: RICOH COPIERS	101	40200	3850		002	\$188.93	\$188.93
THE WORKS	SUMMER DISCOVERY FIELD TRIP	225	43535	3190		001	\$1,200.00	\$1,200.00
THE WORKS	SUMMER DISCOVERY FIELD TRIP	225	43535	3190		001	\$1,200.00	\$1,200.00
XCEL ENERGY	COMMUNITY CENTER: ELECTRIC/GAS	220	43800	2140			\$7,483.19	\$22,512.88
		220	43800	3610			\$15,029.69	
XCEL ENERGY	WELLS: ELECTRIC/GAS	601	45050	3610			\$9,133.18	
		601	45050	2140			\$365.41	\$9,498.59
XCEL ENERGY	PARKS: ELECTRIC/GAS	101	43710	3610			\$775.08	
		101	43710	2140			\$466.87	\$1,241.95
XCEL ENERGY	LIFT STATIONS: ELECTRIC	602	45550	3610			\$686.87	
XCEL ENERGY	TRAFFIC SIGNALS: ELECTRIC	101	42200	3610			\$579.60	\$579.60
XCEL ENERGY	WATER TOWERS: ELECTRIC	601	45050	3610			\$63.19	\$63.19
XCEL ENERGY	TRAFFIC SIGNAL SHARED W/ARDEN HILLS	101	42200	3610			\$43.30	\$43.30
XCEL ENERGY	SLICE OF SHOREVIEW: ELECTRIC	270	40250	3610			\$13.88	\$13.88
							Total of all invoices:	\$195,147.48

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
DAVIS, GARY	PASS REFUND	220	22040				-\$260.00	-\$260.00
ACE SOLID WASTE	MAINT CENTER SOLID WASTE PICKUP	701	46500	3640			\$248.30	\$248.30
AL-HAWWARI, AHMAD MOHAMMED	FACILITY REFUND	220	22040				\$150.00	\$150.00
ALLDATA	VEHICLE REPAIR ONLINE LOOKUP	701	46500	2180		001	\$1,500.00	\$1,500.00
AMSAN BRISSMAN KENNEDY	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002	\$263.02	\$263.02
AMSAN BRISSMAN KENNEDY	BATH TISSUE/CAN LINER/SOAP	220	43800	2110			\$382.57	\$382.57
AMSAN BRISSMAN KENNEDY	HAND AND BODY LOTION	220	43800	2110			\$61.29	\$61.29
AMSAN BRISSMAN KENNEDY	FOAM SOAP/TILE CLEANER/PAPER TOWELS	220	43800	2110			\$750.09	\$750.09
AMSAN BRISSMAN KENNEDY	GARBAGE CAN	220	43800	2240		001	\$146.59	\$146.59
APWA	2014 APWA CONGRESS - MMALONEY	101	42050	4500			\$785.35	\$785.35
ARDEN HILLS PARK & RECREATION	ELEMENTARY TRACK PROGRAM - REIMBURSEMENT	225	43510	3190		014	\$306.52	\$306.52
ARNOLD, SHERRY	REFUND CLOSING OVRPYMT - 234 JANICE ST	601	36190			003	\$63.21	\$63.21
BROOKFIELD RELOCATION	REFUND CLOSING OVRPYMT - 250 BRIDGE ST	601	36190			003	\$216.44	\$216.44
BROWN, RAYMOND	SOFTBALL UMPIRE MAY 27 & JUNE 3	225	43510	3190		001	\$96.00	\$96.00
C & E HARDWARE	STORM SEWER SUPPLIES	603	45850	2180		003	\$31.46	\$31.46
C & E HARDWARE	WEATHER STRIPPING FOR BOOSTER	601	45050	2280		005	\$5.35	\$5.35
C & E HARDWARE	BATTERIES	601	45050	2280		001	\$17.99	\$17.99
CENTRAL RESTAURANT PRODUCTS	FARMERS MARKET INSULATED CONTAINER	225	43590	2174		001	\$278.84	\$278.84
COMCAST	CABLE FOR CC	220	43800	3190		001	\$153.17	\$153.17
COOPER, KYLE W.	SOFTBALL UMPIRE MAY 29 & JUNE 3	225	43510	3190		001	\$96.00	\$96.00
CUB FOODS	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002	\$113.14	\$113.14
CUB FOODS	ADVENTURE QUEST PLAYGROUND SUPPLIES	225	43590	2175		002	\$34.63	\$34.63
CULLIGAN	IRON FILTER RENTAL/LABOR FOR REPAIR	220	43800	3190		007	\$94.05	\$444.05
		220	43800	3810		007	\$350.00	
CURTISS, WIN	PASS REFUND	220	22040				\$20.00	\$20.00
DAHL, ANDREA	REFUND CLOSING OVRPYMT-439 HORSESHOE DR W	601	36190			003	\$70.94	
DAILEY, AARON	AQUATICS - LEVEL 2.5	220	22040				\$73.00	\$73.00
DAVIS, GARY	PASS REFUND	220	22040				\$260.00	\$260.00
DIERCKS, JENNA	ISLAND LAKE TRACK COACH - 1/2 TIME	225	43510	3190		014	\$545.58	\$545.58
DLT SOLUTIONS	NETVAULT BACKUP SOFTWARE MAINTENANCE	101	40550	3860		011	\$2,284.32	\$2,284.32
DRINANE, MICHAEL W	ISLAND LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
DUNHAM, TONYA	MANTA RAY	220	22040				\$136.00	\$136.00
FAIRCHILD, MARILYN	FACILITY REFUND	220	22040				\$25.00	\$25.00
GITAA, LILLIAN	FACILITY REFUND	220	22040				\$300.00	\$300.00
GORT, BENJAMIN	TURTLE LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
HANSON, BRENDA	TURTLE LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
HARTMAN, STEPHANIE	AQUATICS - LEVEL 1	220	22040				\$68.00	\$68.00
HAWKINS, INC.	CHEMICAL ORDER	220	43800	2160		001	\$194.89	\$194.89
HIGH SCHOOL, TOTINO GRACE	FACILITY REFUND	220	22040				\$600.00	\$600.00
HUIRAS, BARBARA	REFUND CLOSING OVRPYMT - 805 HWY 96	601	36190			003	\$22.60	\$22.60
IDENTITY STORES, LLC	ADVENTURE QUEST UNIFORMS/PARK SHIRTS	225	43590	2175		002	\$1,087.00	\$1,087.00
IDENTITY STORES, LLC	SUMMER DISCOVERY SHIRTS	225	43535	2170		002	\$2,212.00	\$2,212.00
JEFF ELLIS & ASSOCIATES, INC	LIFEGUARD LICENSE	220	43800	3190		001	\$97.00	\$97.00
JEWELL, TED W.	SOFTBALL UMPIRE MAY 28, JUNE 4 & 5	225	43510	3190		001	\$144.00	\$144.00
JOHNSON, JOEL	TRAVELERS SITZER	220	22040				\$123.00	\$123.00
JOHNSON, MELISSA	FACILITY REFUND	220	22040				\$25.00	\$25.00
KEHRBERG, CHARLES	REFUND CLOSING OVRPYMT-4306 HIGHLAND DR	601	36190			003	\$18.30	\$18.30
KOPP, ANN MARIE	WEKO VBALL (GRD 7-9)	220	22040				\$130.00	\$130.00
KRAMES STAYWELL, LLC	LIFEGUARD MANUALS AND MASKS	225	43520	2170		003	\$276.28	\$276.28
KRIER, AMY	FACILITY REFUND	220	22040				\$50.00	\$50.00
LEE, SHEILA	FACILITY REFUND	220	22040				\$25.00	\$25.00

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
LEISER, DAVID W.	ISLAND LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
LEISER, ELYSE	TURTLE LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
LOU, WENDY	REFUND CLOSING OVRPYMT - 286 DAWN AVE	601	36190			003	\$38.93	\$38.93
LUKENS, JEANNE M.	TURTLE LAKE TRACK COACH - FULL TIME	225	43510	3190		014	\$1,091.16	\$1,091.16
MALIKOWSKI, RODNEY P.	SOFTBALL UMPIRE MAY 29 & JUNE 5	225	43510	3190		001	\$96.00	\$96.00
MALLOY, MONTAGUE, KARNOWSKI,	2013 AUDIT FINAL BILLING	101	40500	3190		001	\$4,413.20	\$10,030.00
		601	45050	3010			\$2,808.40	
		602	45550	3010			\$2,808.40	
MALMGREN, JOHN	SHOREVIEW AREA PICKLEBALL CLUB SUPPLIES	225	43510	2170		020	\$32.13	\$112.46
		225	43510	2170		020	\$80.33	
MCCAREN DESIGNS INC	MONTHLY HORTICULTURE SERVICE	220	43800	3190		007	\$1,196.00	
METROPOLITAN COUNCIL ENVIRONME	SAC CHARGES FOR MAY 2014	602	20840				\$12,425.00	\$12,300.75
		602	34060				-\$124.25	
MINNESOTA DEPARTMENT OF REVENUE	Sales Use Tax: MAY 2014	101	40200	3210		300	\$26.15	\$13,707.00
		101	40200	3930		200	\$34.99	
		101	40550	2180		200	\$4.64	
		101	40550	3860		008	\$68.86	
		101	40550	3860		011	\$51.56	
		101	40550	3860		110	\$78.52	
		101	40550	3860		800	\$27.96	
		101	43900	2180		001	\$413.93	
		220	43800	2010			\$1.24	
		220	43800	2110			\$2.48	
		220	43800	2140			\$146.00	
		220	43800	2160		002	-\$0.72	
		220	43800	2180			\$5.22	
		220	43800	2180		002	\$121.43	
		220	43800	2200		002	\$57.97	
		220	43800	2200		004	-\$0.26	
		220	43800	2240		001	\$83.94	
		220	43800	3190			\$109.59	
		220	43800	3190		001	-\$0.38	
		220	43800	3190		004	-\$1.43	
		220	43800	3390		001	\$122.90	
		220	43800	3610			\$919.63	
		220	43800	3960		003	\$74.87	
		220	43800	3960		004	\$90.75	
		225	20200				\$120.50	
		225	43400	3390			\$5.05	
		225	43510	2170		007	\$0.82	
		225	43510	2170		008	\$129.91	
		225	43510	2170		010	\$41.69	
		225	43510	2170		020	-\$0.70	
		225	43520	2170		002	\$4.97	
		225	43520	2170		003	\$5.89	
		225	43520	2170		005	\$12.91	
		225	43530	2170		001	-\$1.48	
		225	43555	2170			\$9.26	
		225	43560	2170			\$11.37	
		225	43590	2174		002	\$4.50	
		225	43590	2174		003	-\$0.44	

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Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
		401	43800	5300				\$34.38	
		405	43800	5300				\$618.75	
		422	40550	5800		010		\$62.78	
		220	21810					\$9,592.00	
		701	46500	2120		003		\$131.00	
		601	21810					\$484.00	
MINNESOTA POLLUTION CONTROL AG	SEWER SCHOOL:KIEFFE/FRANDRUP/EWELL	602	45550	4500		003		\$900.00	
MOUNDS VIEW PUBLIC SCHOOLS	BUILDING SUP-SPRING SPORTS/OPEN GYM	225	43510	3190		015		\$580.50	\$580.50
NETWORK TITLE	REFUND CLOSING OVRPYMT-5565 KNOLL DRIVE	601	36190			003		\$29.82	\$29.82
NEW BRIGHTON PARKS & RECREATIO	ELEMENTARY TRACK PROGRAM - REIMBURSEMENT	225	43510	3190		014		\$555.06	
OFFICE DEPOT	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$75.97	\$75.97
OFFICE DEPOT	GOLF PENCILS	101	43400	2010				\$7.41	\$7.41
OFFICE DEPOT	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$8.80	\$8.80
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40200	2010		002		\$45.94	\$287.83
		101	43400	2010				\$224.15	
		601	45050	2010				\$17.74	
OFFICE DEPOT	ID BADGE SUPPLIES	101	43400	2010				\$20.50	
OFFICE DEPOT	MAGNETIC TAPE/CONCERT SUPPLIES	225	43400	3390				\$22.76	\$22.76
OFFICE DEPOT	PORTFOLIOS/ADULT PROGRAM SUPPLIES	225	43510	2170		016		\$52.22	\$52.22
PARTSMASTER	DRILL BIT SET CC	220	43800	2400				\$257.38	\$257.38
PIERCE, LISA	FACILITY REFUND	220	22040					\$300.00	\$300.00
PORTER, DANIEL	SOFTBALL UMPIRE JUNE 2	225	43510	3190		001		\$48.00	\$48.00
POSTMASTER	DEPOSIT IN PERMIT IMPRINT 5606-SHOREVIEW	602	45550	3220		001		\$500.00	\$1,000.00
		601	45050	3220		001		\$500.00	
PRECISION LANDSCAPE & TREE, IN	PUBLIC TREE REMOVALS W014-19	101	43900	3190		002		\$8,400.00	
PRECISION LANDSCAPE & TREE, IN	PUBLIC TREE REMOVAL W014-20 AND W014-21	101	43900	3190		002		\$378.25	\$378.25
PRO-TEC DESIGN	CARD ACCESS SOFTWARE SUPPORT	101	40550	3860		008		\$813.29	
QUINN, JAMES AND MARIA	REFUND CLOSING OVRPYMT-5690 DEER TRAIL E	601	36190			003		\$105.83	\$105.83
RAMSEY COUNTY TREASURER	LIFE INSURANCE: JUNE 2014	101	20414					\$2,668.14	
		101	20417					\$202.50	
RICK, AMANDA MARIE	ISLAND LAKE TRACK COACH - 3/4 TIME	225	43510	3190		014		\$818.38	
RICOH USA, INC.	LEASE: MPC3003 C84066191 APRIL/MAY 2014	101	40200	3930		002		\$273.62	\$273.62
RICOH USA, INC.	LEASE: MPC3003 C84066191 MAY/JUNE 14	101	40200	3930		002		\$273.62	\$273.62
RICOH USA, INC.	LEASE: MPC3003 C84066191 JUNE/JULY 2014	101	40200	3930		002		\$273.62	\$273.62
RICOH USA, INC.	LEASE 3 CITY HALL COPIERS 6/21-7/20/14	101	40200	3930		002		\$1,947.00	\$1,947.00
ROSENFLANZ, KAREN	SAFETY - LIFEGUARD T	220	22040					\$247.00	\$247.00
RUGRODEN, JOHN L.	SOFTBALL UMPIRE MAY 28 & JUNE 4	225	43510	3190		001		\$96.00	\$96.00
SAARION, CARL	SOFTBALL UMPIRE MAY 27 & JUNE 3	225	43510	3190		001		\$96.00	\$96.00
SAM'S CLUB DIRECT	SUMMER DISCOVERY SNACK	225	43535	2170		004		\$2,235.08	\$2,235.08
SCHMIDT, AMY	FACILITY REFUND	220	22040					\$25.00	\$25.00
SETTERLUND, LARRY	REFUND CLOSING OVRPYMT-4232 SYLVIA LN N	601	36190			003		\$17.31	\$17.31
SHORT ELLIOTT HENDRICKSON, INC	RR QUIET ZONE STUDY	101	42050	3190				\$2,265.85	\$2,265.85
SHRED RIGHT	SHREDDING SERVICES	101	44100	4890				\$31.29	\$208.58
		101	40500	4890				\$114.71	
		225	43400	4890				\$31.29	
		101	40200	4890				\$31.29	
SIEBENALER, ELLEN	REFUND CLOSING OVRPYMT-3522 COHANSEY ST	601	36190			003		\$38.24	\$38.24
SUPER, LAURA	FACILITY REFUND	220	22040					\$25.00	\$25.00
TARGET COMMERCIAL INVOICE	ADVENTURE QUEST PLAYGROUND SUPPLIES	225	43590	2175		002		\$78.22	
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$66.48	\$66.48
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$162.16	\$162.16

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$268.85	\$268.85
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES - ENRICHMENT	225	43535	2170		001		\$78.65	\$78.65
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES - ENRICH AF	225	43535	2170		001		\$47.60	\$47.60
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 1 SUPPLIES	225	43535	2170		003		\$75.98	\$75.98
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 2 SUPPLIES	225	43535	2170		003		\$111.25	\$111.25
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 3 SUPPLIES	225	43535	2170		003		\$79.24	\$79.24
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 4 SUPPLIES	225	43535	2170		003		\$136.54	\$136.54
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 5 SUPPLIES	225	43535	2170		003		\$115.35	\$115.35
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 6 SUPPLIES	225	43535	2170		003		\$128.00	\$128.00
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 7 SUPPLIES	225	43535	2170		003		\$97.47	\$97.47
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY - ROOM 8 SUPPLIES	225	43535	2170		003		\$161.50	\$161.50
TARGET COMMERCIAL INVOICE	SUMMER DISCOVERY SUPPLIES	225	43535	2170		002		\$114.47	\$114.47
TARGET COMMERCIAL INVOICE	FARMERS MARKET GENERAL SUPPLIES/HANDWASH	225	43590	2174		001		\$32.58	\$32.58
TERRI'S TREASURE'S/NEWMAN, T	REFUND FOR ART FAIR	270	34900			306		\$100.00	\$100.00
THE RETROFIT COMPANIES INC	2014 CLEANUP DAY - E-WASTE	210	42750	3640				\$4,495.00	\$4,495.00
THOMSEN, BENJAMIN	FACILITY REFUND	220	22040					\$985.60	\$985.60
TOKLE INSPECTIONS INC	INSPECTION SERVICES MAY 2014	101	44300	3090				\$3,391.36	\$3,391.36
USCG AUXILIARY, AUX 08W-11-08	BOATERS SAFETY CLASS	225	43590	3173		001		\$280.00	\$280.00
VERMONT SYSTEMS, INC	RECTRAC SOFTWARE MAINTENANCE	101	40550	3860		012		\$6,813.50	\$6,813.50
WELTER, CATHERINE	FACILITY REFUND	220	22040					\$53.56	\$53.56
WILLIAMS, DAVID	REFUND CLOSING OVRPYMT - 5684 ERIK LANE	601	36190			003		\$27.96	
WOLDENMICHAEL, YIKUNO	REFUND CLOSING OVRPYMT - 4198 OXFORD ST	601	36190			003		\$20.62	\$20.62
WOOD, PAUL	KICKBALL (COREC)	220	22040					\$130.00	\$130.00
WRIGHT, KARI	KICKBALL (COREC)	220	22040					\$130.00	\$130.00
XCEL ENERGY	TRAFFIC SIGNAL SHARED W/NORTH OAKS:ELECT	101	42200	3610				\$40.91	\$40.91
XIONG, ALEDA	FACILITY REFUND	220	22040					\$50.00	\$50.00
ZETZMAN, JON	LITTLETYKES BASEBALL	220	22040					\$50.00	\$50.00

Total of all invoices: \$102,577.43

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COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
REHBEIN'S BLACK DIRT	BLACK DIRT FOR PLOW DAMAGE REPAIRS	101	42200	2181		003		-\$132.00	-\$132.00
AID ELECTRIC CORPORATION	ELECTRICAL RECEPTORS/PARKS	701	46500	3196		001		\$646.39	\$646.39
AIM ELECTRONICS, INC	SCOREBOARD LIGHTS AND ANTENNAS	101	43710	2240				\$910.00	
ALLEN, DEANNE	MINUTES - 5/12 CC, 5/19 CC, 5/19 WORKSHOP	101	40200	3190		001		\$600.00	\$600.00
ALLEN, DEANNE	MINUTES - 5/27 PC, 6/2 CC	101	40200	3190		001		\$200.00	\$350.00
		101	44100	3190				\$150.00	
AMEM	MEMBERSHIP FEES FOR DAN C.	101	41500	4500				\$100.00	\$100.00
BDI	TOOL CAT BEARINGS	701	46500	2220		002		\$110.77	\$110.77
BEACON ATHLETICS	FENCE CAP THEISEN PARK	101	43710	2240				\$341.31	
BEISSWENGERS HARDWARE	IRRIGATION REPAIR SUPPLIES	101	43710	2240				\$14.14	\$14.14
BEISSWENGERS HARDWARE	VACUUM BREAKERS	601	45050	2280		001		\$26.64	\$26.64
BEISSWENGERS HARDWARE	THREAD TAPE FOR IRRIGATION REPAIRS	101	43710	2240				\$2.76	\$2.76
BEISSWENGERS HARDWARE	IRRIGATION REPAIR SUPPLIES	101	43710	2240				\$6.62	\$6.62
BEISSWENGERS HARDWARE	AIR HORNS FOR FLAGGER OPERATIONS	101	42200	2180		001		\$42.38	\$42.38
BEISSWENGERS HARDWARE	LIGHT BULBS	601	45050	2280		005		\$6.57	\$6.57
BEISSWENGERS HARDWARE	WATERING WAND	101	43710	2240				\$10.59	\$10.59
BIFF'S, INCORPORATED	BUCHER PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	COMMONS PARK UNIT	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	LAKE JUDY PARK UNIT	101	43710	3950				\$166.00	\$166.00
BIFF'S, INCORPORATED	MCCULLOUGH PARK UNITS	101	43710	3950				\$266.00	\$266.00
BIFF'S, INCORPORATED	RICE CREEK FIELDS UNIT	101	43710	3950				\$68.50	\$68.50
BIFF'S, INCORPORATED	SITZER PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	SHAMROCK PARK UNITS	101	43710	3950				\$496.50	\$496.50
BIFF'S, INCORPORATED	THEISEN PARK UNIT	101	43710	3950				\$166.00	\$166.00
BIFF'S, INCORPORATED	WILSON PARK UNITS	101	43710	3950				\$363.50	\$363.50
BIFF'S, INCORPORATED	SNAIL LAKE SCHOOL UNIT	101	43710	3950				\$68.50	\$68.50
BOSCARDIN, JIM	MAIL BOX REIMBURSEMENT	101	42200	2181		003		\$50.00	\$50.00
CAIN, GAIL	MAIL BOX REIMBURSEMENT	101	42200	2181		003		\$50.00	\$50.00
CENTRAL WOOD PRODUCTS	PREMIUM HARDWOOD MULCH	101	43710	2260				\$1,935.00	
CHESS	MAY MTCE PLAN	101	40210	3190		007		\$610.00	\$610.00
CUMMINS NPOWER LLC	INSP.BOOSTER GENERATOR	601	45050	3190		003		\$269.00	\$269.00
CUMMINS NPOWER LLC	INSPECTION WELL 5 GENERATOR	601	45050	3190		003		\$203.00	\$203.00
DUSTY'S DRAIN CLEANING	VIDEO OF SEWER AT 3312 RICHMOND	602	45550	3190		002		\$200.00	\$200.00
E.H.RENNER, INC	WELL 5 INSPECTION AND REPAIRS	601	45050	3190		003		\$14,151.00	\$14,151.00
E.H.RENNER, INC	WELL 5 INSPECTIONS AND REPAIRS	601	45050	3190		003		\$5,980.00	\$5,980.00
EVENSON, LARRY	MAILBOX REIMBURSEMENT	101	42200	2181		003		\$50.00	\$50.00
GERTENS WHOLESAL	ANNUAL PLANTS FOR COMM. CNTR	101	43710	2260				\$916.82	\$916.82
GERTENS WHOLESAL	PINE BARK MULCH FOR ANNUAL BEDS	101	43710	2260				\$65.80	\$65.80
GERTENS WHOLESAL	PINE BARK MULCH FOR ANNUAL BEDS	101	43710	2240				\$65.80	\$65.80
GOPHER STATE ONE-CALL	GOPHER ONE LOCATE CHARGE	601	45050	3190		001		\$225.00	\$900.00
		602	45550	3190		001		\$225.00	
		603	45850	3190		001		\$225.00	
		604	42600	3190				\$225.00	
GRAINGER, INC.	REPLACEMENT BULB FOR WORK LIGHT	101	43710	2240				\$9.94	\$9.94
GRAINGER, INC.	SAFETY GLASSES	101	43710	2180				\$257.04	\$257.04
GRAINGER, INC.	SAFETY GLASSES	101	43710	2180				\$85.68	\$85.68
GRAINGER, INC.	SOLDERING IRON	701	46500	2400		006		\$79.13	
GREENHAVEN PRINTING	MAY/JUNE SHOREVIEWS	101	40400	3390		002		\$7,475.00	\$10,046.20
		101	40400	3220		001		\$2,571.20	
HILLCREST ANIMAL HOSPITAL	ANIMAL CONTROL MAY 2014	101	41100	3990				\$435.50	\$435.50
HOISINGTON KOEGLER GROUP INC	PROFESSIONAL SERVICES - MAY 2014	307	44100	4890				\$4,092.50	\$4,092.50

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
HUGO EQUIPMENT COMPANY	PARTS FOR WEED WHIP	701	46500	2220		002	\$55.47	\$55.47
INDUSTRIAL DOOR COMPANY, INC	REPLACE SPRINGS ON OVERHEAD GARAGE DOOR	701	46500	3196		001	\$1,255.10	
INSTRUMENTAL RESEARCH INC	MONTHLY SAMPLES	601	45050	3190		004	\$233.00	\$233.00
KELLY & LEMMONS, P.A.	MAY 2014 LEGAL FEES	101	40600	3020			\$2,667.28	\$8,919.82
		101	40600	3030			\$4,073.54	
		101	40600	3040			\$2,179.00	
LAKE JOHANNA FIRE DEPT	COMPUTER REPLACEMENT	405	41200	3190			\$2,124.50	\$2,124.50
LEE SPORTS SURFACING	BUCHER PARK TENNIS COURTS RESURFACE	405	43710	3810			\$26,575.00	\$26,575.00
LILLIE SUBURBAN NEWSPAPERS INC	LEGAL NOTICES	101	40200	3360		001	\$64.75	\$64.75
MINNESOTA DEPARTMENT OF HEALTH	JOE KEDING CLASS B RENEWAL	601	45050	4500		003	\$23.00	\$23.00
MINNESOTA POLLUTION CONTROL AG	SEWER EXAM FEE/EWELL/FRANDRUP/KIEFFE	602	45550	4500		003	\$115.00	\$115.00
MIRACLE RECREATION EQUIPMENT C	PLAY EQUIPMENT REPLACEMENT PARTS	101	43710	2240			\$715.63	\$715.63
MTI DISTRIBUTING, INC	IRRIGATION SUPPLIES	101	43710	2240			\$1,176.43	\$1,176.43
MTI DISTRIBUTING, INC	STATION MASTER PRO TESTER	101	43710	2400			\$117.91	\$117.91
MTI DISTRIBUTING, INC	SWITCHES FOR GM328D'S	701	46500	2220		002	\$142.83	
NEWMAN SIGNS	U-CHANNEL SIGN POSTS	101	42200	2180		003	\$814.19	\$814.19
OFFICE DEPOT	ID BADGES	101	40210	2180			\$22.08	\$22.08
OFFICE SYSTEMS AND DESIGN INC	OFFICE REMODEL/PELTON	101	40200	5700			\$294.00	\$294.00
OFFICE SYSTEMS AND DESIGN INC	ASST CITY MGR OFFICE	101	40200	5700			\$4,346.00	\$4,346.00
OFFICE SYSTEMS AND DESIGN INC	4 POD STATION/GLASS	101	40200	5700			\$2,815.00	\$2,815.00
OXYGEN SERVICE COMPANY	WELDING SUPPLIES	701	46500	2180		001	\$57.84	\$57.84
OXYGEN SERVICE COMPANY	OXYGEN AND ARGON	701	46500	2180		001	\$94.84	\$94.84
PUSH PEDAL PULL	PEDAL STRAPS FOR PRECOR BIKE	220	43800	3890			\$33.35	\$33.35
RAMSEY COUNTY	911 SERVICES - MAY 2014	101	41100	3190		001	\$8,852.32	\$8,852.32
RAMSEY COUNTY	FLEET SUPPORT FEE - MAY 2014	101	41500	3890		001	\$24.96	\$24.96
RAMSEY COUNTY	LAW ENFORCEMENTN SERVICES-JUNE 2014	101	41100	3190		001	\$160,469.99	\$160,469.99
RAMSEY COUNTY PROPERTY RECORDS	EMERGENCY COMMUNICATION RADIO USER FEE	701	46500	4330			\$134.16	\$134.16
RICHTER, JASON	MAILBOX REIMBURSEMENT	101	42200	2181		003	\$50.00	\$50.00
SCHARBER & SONS	BLADE HUB LAND PRIDE MOWER	701	46500	2220		002	\$134.89	\$134.89
SCHARBER & SONS	BLADES FOR LANDPRIDE MOWER	701	46500	2220		002	\$217.37	\$217.37
SESCA	2014 CITY CONTRIBUTION	101	40100	3200		004	\$2,000.00	\$2,000.00
SPASOJEVICH, MIKA	MAIL BOX REIMBURSEMENT	101	42200	2181		003	\$50.00	\$50.00
ST. PAUL, CITY OF	HOT MIX ASPHALT FOR SPOT PATCHING	101	42200	2180		002	\$400.68	\$400.68
TERMINAL SUPPLY CO	TURN LIGHTS	701	46500	2180		001	\$31.92	\$31.92
TESSMAN SEED CO	HERBICIDE STICKER/SPREADER	101	43710	2260			\$90.00	\$90.00
TESSMAN SEED CO	WEED KILLER AND GRASS SEED	101	43710	2240			\$888.00	\$888.00
TESSMAN SEED CO	HERBICIDE AND MARKING FOAM	101	43710	2260			\$690.00	\$690.00
TESSMAN SEED CO	GRASS SEED AND FERTILIZER	101	43710	2260			\$948.00	\$948.00
UNI FIRST CORPORATION	UNIFORM RENTAL	101	42200	3970		001	\$38.93	\$155.73
		601	45050	3970		001	\$38.93	
		602	45550	3970		001	\$38.93	
		603	45850	3970		001	\$19.47	
		701	46500	3970		001	\$19.47	
UNI FIRST CORPORATION	UNIFORM RENTAL	101	42200	3970		001	\$38.41	\$153.63
		601	45050	3970		001	\$38.41	
		602	45550	3970		001	\$38.41	
		603	45850	3970		001	\$19.20	
		701	46500	3970		001	\$19.20	
UNI FIRST CORPORATION	UNIFORM RENTAL	101	42200	3970		001	\$38.41	\$153.63
		601	45050	3970		001	\$38.41	
		602	45550	3970		001	\$38.41	

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line	Amount	Invoice Amt
		603	45850	3970		001		\$19.20	
		701	46500	3970		001		\$19.20	
UNIFIRST CORPORATION	UNIFORM RENTAL PARKS	101	43710	3970				\$61.00	
UNIFIRST CORPORATION	UNIFORM RENTAL CC	220	43800	3970				\$49.46	\$49.46
UNIFIRST CORPORATION	UNIFORM RENTAL PARKS	101	43710	3970				\$61.00	
UNIFIRST CORPORATION	UNIFORM RENTAL CC	101	43710	3970				\$49.46	\$49.46
UNLIMITED SUPPLIES INC	BOLTS	701	46500	2180		001		\$53.51	\$53.51
VERSATILE VEHICLES, INC	GOLF CARTS/SLICE	270	40250	3950		003		\$1,724.71	\$1,724.71
WATER CONSERVATION SERVICE, IN	GRAMSIE AND LEX LEAK	601	45050	3190		004		\$266.80	\$266.80
XTREME INC.	MAINTENANCE CREW T-SHIRTS	101	42200	3970		001		\$170.25	\$681.00
		601	45050	3970		001		\$170.25	
		602	45550	3970		001		\$170.25	
		603	45850	3970		001		\$85.12	
		701	46500	3970		001		\$85.13	
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$270.00	\$270.00
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$212.75	\$212.75
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$212.75	\$212.75
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$431.75	\$431.75
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$371.25	\$371.25
YALE MECHANICAL INC	RPZ TESTING	101	43710	3190				\$395.34	\$395.34
YALE MECHANICAL INC	WAVE EXHAUST FAN REPLACEMENT	405	43800	3810				\$8,050.00	\$8,050.00
Total of all invoices:									\$284,505.88

Purchase Voucher

City of Shoreview
 4600 Victoria Street North
 Shoreview MN 55126

Voucher Number	42,107		
Vendor number	00373 3	2014	
Vendor name	LEAGUE OF MN CITIES INS TRUST		
Address	C/O BERKLEY RISK ADMINISTRATORS LLC PO BOX 581517 MINNEAPOLIS MN 55458-1517		

Date	Comment line on check	Invoice number	Amount
06-02-14	PROPERTY/LIABILITY INS-3RD INSTALLMENT	46703	32,904.50

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	
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Account Coding	Amount
101 40500 3410	\$11,428.10
101 40800 3410	\$396.50
101 41200 3410	\$279.75
101 41500 3410	\$218.75
101 43450 3410	\$274.75
101 43710 3410	\$5,205.75
210 42750 3410	\$98.52
220 43800 3410	\$2,356.36
225 43400 3410	\$286.07
230 40900 3410	\$34.33

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by: *D. Maloney*
 (signature required) Deborah Maloney

Approved by: *TJ*
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
 4600 Victoria Street North
 Shoreview MN 55126

Voucher Number	42,103
Vendor number	01439 1 2014
Vendor name	LEE SPORTS SURFACING
Address	3027 EDGERTON STREET LITTLE CANADA, MN 55117

Date	Comment line on check	Invoice number	Amount
06-02-14	BUCHER PARK TENNIS COURTS RESURFACE	1708	\$26,575.00

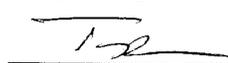
This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
405 43710 3810	\$26,575.00

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$
Reviewed by: (signature required) Gary Chapman	
Approved by: (signature required) Terry Schwerm	

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
 4600 Victoria Street North
 Shoreview MN 55126

Voucher Number	42,182		
Vendor number	00416 1	2014	
Vendor name	METROPOLITAN COUNCIL		
Address	PO BOX 856513 MINNEAPOLIS MN 55485-6513		

Date	Comment line on check	Invoice number	Amount
06-04-14	SEWER SERVICE-JULY 2014	1035211	\$150,952.26

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Return to: _____

Account Coding	Amount
602 45550 3670	\$150,952.26

Is sales tax included on invoice?	<u>Not</u> Taxable
If no, amount subject to sales use tax	\$

Reviewed by: Debbie Engblom
 (signature required) Debbie Engblom

Approved by: Terry Schwerm
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
 4600 Victoria Street North
 Shoreview MN 55126

Voucher Number	42,087
Vendor number	01337 2 2014
Vendor name	RAMSEY COUNTY
Address	90 PLATO BLVD W. PO BOX 64097 ST. PAUL MN 55164-0097

Date	Comment line on check	Invoice number	Amount
05-30-14	LAW ENFORCEMENTN SERVICES-JUNE 2014	SHRFL-001325	\$160,469.99

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Account Coding

Amount

Account Coding	Amount
101 41100 3190 001	\$160,469.99

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$

Reviewed by: Terri Hoffard
 (signature required) Terri Hoffard

Approved by: TSC
 (signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
 4600 Victoria Street North
 Shoreview MN 55126

Voucher Number	42,126
Vendor number	01901 1 2014
Vendor name	REPUBLIC SERVICES INC #899
Address	PO BOX 9001154 LOUISVILLE, KY 40290-1154

Date	Comment line on check	Invoice number	Amount
05-25-14	MAY ALLIED WASTE SERVICES	0899-002483820	\$30,720.17

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

This Purchase Voucher is more than \$25,000.00; was the state's cooperative venture considered before purchasing through another source?

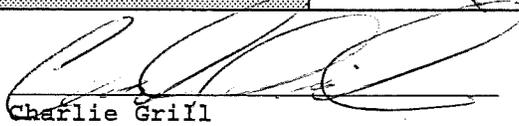
Purchase was made through the state's cooperative purchasing venture.

Purchase was made through another source. The state's cooperative purchasing venture was considered.

Cooperative purchasing venture consideration requirement does not apply.

Return to: _____

Account Coding	Amount
210 42750 3190	\$30,720.17

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	\$ _____
Reviewed by: (signature required)  Charlie Grill	
Approved by: (signature required)  Terry Schwerm	

Two quotes must be attached to purchase voucher for all purchases between \$10,000 and \$50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

MOTION

MOVED BY COUNCIL MEMBER _____

SECONDED BY COUNCIL MEMBER _____

To approve the Comprehensive Sign Plan Amendment, submitted by Identigraphics for the Exxon station at 3854 Lexington Avenue. This approval is subject to the following:

1. The signs shall comply with the plans approved for the Comprehensive Sign Plan, File No. 1742-99-09, as amended (see File No. 2091-04-21) and this application (File No. 2525-14-15). Any significant change will require review by the Planning Commission
2. The applicant shall obtain a sign permit prior to the installation or refacing of any signs on the property.
3. This approval will expire after one year if a sign permit has not been issued and construction commenced.
4. Signage on the propane tank shall not advertise commercial messages unless required by the State of Minnesota.
5. Temporary signs shall not be displayed on the property, since the message center sign provides the mechanism to display promotional information and advertisements.
6. In accordance with Conditional Use Permit 12-33, additional signage advertising car sales is not permitted on the property, with the exception of window signage displayed in the vehicle being offered for sale. Said window signage shall not exceed 11" x 17" in area. The message center sign shall not be used to advertise vehicles for sale.
7. The message center sign shall:
 - a. Display text of a sufficient size so as to be readable by passing motorists without distraction.

- b. Display messages in their entirety to allow passing motorists to read the entire copy.
- c. Not display telephone numbers, email address or internet urls.
- d. Display messages for a minimum of 8 seconds, and change instantaneously.
- e. Present messages in a static display, and shall not scroll, flash, blink or fade.
- f. May display time, temperature and other graphics related to weather conditions. Advertisement is limited to goods and services offered on-site.

This approval is based on the following findings of fact:

1. *The plan proposes signs consistent in color, size and materials throughout the site for each type of proposed sign.* Existing and proposed signs have uniform color and materials, and with colors generally based on the Exxon and Circle K logos. The wall sign for the car wash use white letters on a red background.
2. *Approving the deviation is necessary to relieve a practical difficulty existing on the property.* The existing sign base is proposed for use for the new sign and contributes to the height.
3. *The proposed deviations from the standards of Section 208 result in a more unified sign package and greater aesthetic appeal between signs on the site.* The height of the monument sign will aid visibility from north and south bound traffic on Lexington Avenue. The proposed message center sign has better aesthetics than temporary signs for promotion of the goods and services available on the property.
4. *Approving the deviation will not confer a special privilege on the applicant that would normally be denied under the Ordinance.* The configuration of the access to the lot and building is unique for this property with two points of ingress that are right turn only, and a third access near the car wash building.

5. *The resulting sign plan is effective, functional, attractive and compatible with community standards.* The sign plan amendment proposes signs with a consistent design motif based on the fuel and C-Store corporate logos.

ROLL CALL: **AYES** _____ **NAYS** _____

Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting – June 16, 2014

TO: Mayor, City Council, City Manger
FROM: Rob Warwick, Senior Planner
DATE: June 12, 2014
SUBJECT: Identi Graphics/Dave Kroona, 3854 Lexington Avenue, Comprehensive Sign Plan Amendment, File No. 2525-14-15

INTRODUCTION

Identi Graphics, on behalf of Dave Kroona, has submitted a comprehensive sign plan amendment to install new signage on the property at 3854 Lexington Avenue to advertise the fuel station, car wash, service station and convenience store. The applicant proposes to replace the existing freestanding sign with a new 61 sq. ft. freestanding sign. The proposed sign will also incorporate a 29.5 sq. ft. message center sign.

PROJECT DESCRIPTION

The property is located at the intersection of Red Fox Road and Lexington Avenue, and is bounded on the north by I-694.

In 1999, the City approved a Comprehensive Sign Plan for the property, and in 2004 approved an amendment to that plan.

The current amendment is proposed to allow replacement of the existing monument sign that was approved in 1999. The proposed monument sign has a height of 11.28 feet, and a width of 10.5 feet, and displays 4 panels used to identify the services offered at the station, a gas price display for regular fuel price, and a 29.5 square foot full color message center sign. The proposed sign will use the existing sign foundation and base.

Comprehensive Sign Plan Amendment

The existing monument sign has an approved area of 56 square feet and height of 10 feet. There is an electronic changeable copy sign incorporated into the monument that displays 2 lines of 6-inch text. A condition of approval limits this display to information pertaining to the car wash and fuel prices. The existing sign also uses an electronic digital display for the prices of three vehicle fuel types. Note that the electronic displays represented a deviation from Code when the existing sign plan was approved as the City Code did not permit any digital displays on signs at that time.

The proposed sign advertises the fuel station, car wash, service station and convenience store. The Sign Plan Review process is necessary since the proposed monument sign is taller and larger than permitted by Code and the existing Sign Plan. The ordinance

requires a comprehensive sign plan in instances where deviations from the sign code are proposed.

Sign Standards

The ordinance permits one freestanding sign per principal structure unless the structure faces two or more arterial roadways, as is here the case. This property also has an existing 33-foot pylon sign (approx. 140 sq. ft.) located near the I-694 frontage (see aerial photo).

Structures less than 20,000 square feet are allowed to display cabinet style monument sign with a maximum of 10-feet in height and have a copy/graphic area with a maximum of 50 square feet. Advertising on freestanding signs is limited to a list of tenants, the property address and the building name. In accordance with Code, this sign area does not include the area of the gas price display or the message center sign. A gas price display is limited to a 6-square feet LED for the price, with a maximum 16-inch character height. In the C-2 District, a message center sign with a maximum area of 50-square feet may be integrated into the monument sign.

The applicant provided a graphic showing the location and area of existing wall and canopy signage that is currently displayed on the property. Since the 2004 amendment to the approved sign plan, several wall signs have been removed, and several others refaced to reflect changes in the brand of convenience store operated at the site.

STAFF REVIEW

The Comprehensive Sign Plan review process considers five elements that govern signs on a property: location, materials, color, size and illumination. This review considers the proposed freestanding sign within the context of the existing approved signs on the property.

The monument sign will be refaced with panels identifying the Exxon and Circle K store brands, the car wash, and regular fuel sales. The price of regular gasoline will be displayed with a 6-square foot electronic readerboard using 16-inch characters that is located within a larger 15.4 square foot panel.

The existing sign base will be used for the new sign. In this case, using the existing base contributes to the 11.28 foot sign height that is proposed. The applicant has already made height reductions in response to staff concerns, and staff considers the proposed height reasonable and consistent with the height of nearby signs.

The 61 square foot area proposed exceeds the maximum 50 square feet permitted. Sign area is computed based on the smallest rectangle that will encompass the copy and graphics area, excluding the area of the message center and gas price display. However, the gas price display proposed here is one of four equal panels. The size and area of the

rectangle does not change whether or not the price display panel is included. Given this circumstance, staff believes it is appropriate to exhibit flexibility with the sign area.

A full color LED message center display is proposed to be installed below these panels. The 29.5 square foot message center complies with the minimum (20-square foot) and maximum (50 square foot) area standards specified for the C-2 District.

Comprehensive Sign Plan review considers five elements governing sign design within the site: location, materials, size, color and illumination. When a deviation is proposed approval shall be based on required findings, and these findings are reviewed below:

1. *The plan proposes signs consistent in color, size and materials throughout the site for each type of proposed sign.* Existing and proposed signs have uniform color and materials with colors generally based on the Exxon and Circle K logos. The wall sign for the car wash use white letters on a red background.
2. *Approving the deviation is necessary to relieve a practical difficulty existing on the property.* The existing sign base is proposed for use for the new sign and contributes to the height.
3. *The proposed deviations from the standards of Section 208 result in a more unified sign package and greater aesthetic appeal between signs on the site.* The height of the monument sign will aid visibility from north and south bound traffic on Lexington Avenue. The proposed message center sign has better aesthetics than temporary signs for promotion of the goods and services available on the property.
4. *Approving the deviation will not confer a special privilege on the applicant that would normally be denied under the Ordinance.* The configuration of the access to the lot and building is unique for this property with two points of ingress that are right turn only, and a third access near the car wash building.
5. *The resulting sign plan is effective, functional, attractive and compatible with community standards.* The sign plan amendment proposes signs with a consistent design motif based on the fuel and C-Store corporate logos.

PLANNING COMMISSION REVIEW

The Planning Commission reviewed the amendment application at their May 27th meeting. Discussion included questions on the need for the proposed height deviation, which was addressed by the applicants' explanation that the panels are the smallest sized standard panels available without requiring a custom manufacture. The applicants also stated that message center display will be controlled by the store managers. The sign illumination will be internal using LED bulbs for the panels, and these will be off during

daylight hours and on at night. The message center and gas price display use an automatic dimmer to adjust the brightness.

Commissioners expressed concern with past compliance with sign displays and sale of used vehicles. The applicant stated that they were 8 vehicles being offered for sale over the Memorial Day weekend which was their mistake. The proposed message center sign should limit the need for other temporary signs. The Commissioners unanimously (7-0) recommended approval of the amendment to the City Council.

RECOMMENDATION

As discussed above, staff and the Planning Commission recommended approval of the proposed sign plan with the height and area deviations. Staff is recommending the City Council approve the Comprehensive Sign Plan amendment, with the following conditions:

1. The signs shall comply with the plans approved for the Comprehensive Sign Plan, File No. 1742-99-09, as amended (see File No. 2091-04-21) and this application (File No. 2525-14-15). Any significant change will require review by the Planning Commission
2. The applicant shall obtain a sign permit prior to the installation or refacing of any signs on the property.
3. This approval will expire after one year if a sign permit has not been issued and construction commenced.
4. Signage on the propane tank shall not advertise commercial messages unless required by the State of Minnesota.
5. Temporary signs shall not be displayed on the property, since the message center sign provides the mechanism to display promotional information and advertisements.
6. In accordance with Conditional Use Permit 12-33, additional signage advertising car sales is not permitted on the property, with the exception of window signage displayed in the vehicle being offered for sale. Said window signage shall not exceed 11" x 17" in area. The message center sign shall not be used to advertise vehicles for sale.
7. The message center sign shall:
 - a. Display text of a sufficient size so as to be readable by passing motorists without distraction.
 - b. Display messages in their entirety to allow passing motorists to read the entire copy.
 - c. Not display telephone numbers, email address or internet urls.
 - d. Display messages for a minimum of 8 seconds, and change instantaneously.

- e. Present messages in a static display, and shall not scroll, flash, blink or fade.
- f. May display time, temperature and other graphics related to weather conditions. Advertisement is limited to goods and services offered on-site.

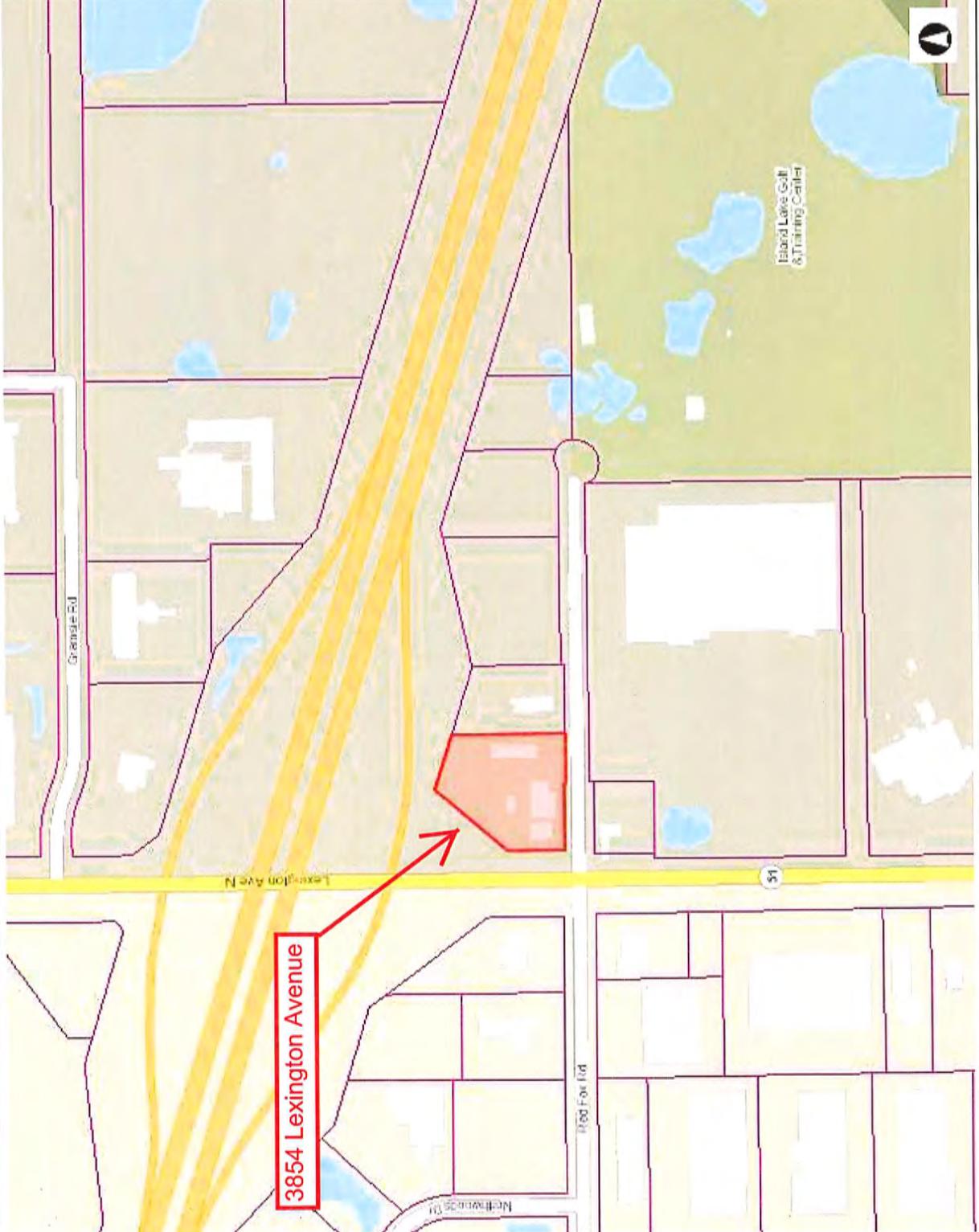
Attachments

- 1) Location Map
- 2) Submitted Plans
- 3) Approved Comprehensive Sign Plan, 1999
- 4) May 27th Planning Commission Minutes
- 5) Proposed Motion

.t:/2014 pcf/2525-14-153854 lexington sign plan amend/CC report.doc



3854 Lexington Avenue



This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.
 THIS MAP IS NOT TO BE USED FOR NAVIGATION

Legend



- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Parcel Boundaries

Notes

Shoreview Exon Station

~~4-3-14~~ 4-24-2014

March 28 2014

TO: Rob Warwick

SUBJ: Permit request to Increase Existing Monument Sign (EXXON – 3854

Lexington Ave N, Shoreview, MN)

Identi Graphics, on behalf of Dave Kronna submitting a Sign Permit – to replace the Existing Monument sign.

I have surveyed all the existing signage on the site. I am attaching the site square ft. of The existing signs. Since 2004 elevation of signs permitted there have been a reduction In the square ft of the Cstore signs and Car wash signs of 187 sq ft.

Shoreview EXXON – Has 6 Business at one location.

1. Gasoline sales – separate island
2. Diesel sales- separate island
3. Propane sales- separate island
4. C-Store
5. Auto service
6. Car Wash separate bldg.

The Diesel Island, Convenience Store, Auto Service and Car Wash are not very

Visible driving North and South. With Monument of proposed size will help

Promote the pricing of Gas, Diesel, Propane, Convenience items, and Auto Service.

With the Electronic Message Center of this size – Customers can be informed of

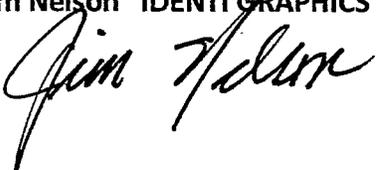
Upcoming specials. This will make this location up-to-date with current business.

With the construction on the roads – business has declined so much that any way

In increasing is needed.

Thank you,

Jim Nelson IDENTI GRAPHICS MN (612) 309 3220





Exxon Of Shoreview
3854 Lexington Ave N
Shoreview, MN 55126



WASN N FILL - OXON 3854 LEXINGTON S↔N
Shove DISEN

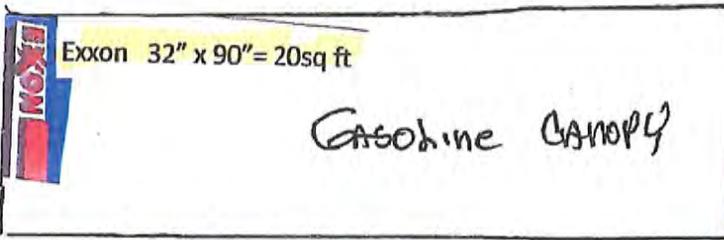
LEXINGTON

EXXON = 139 Sq. ft.

Hi Rise



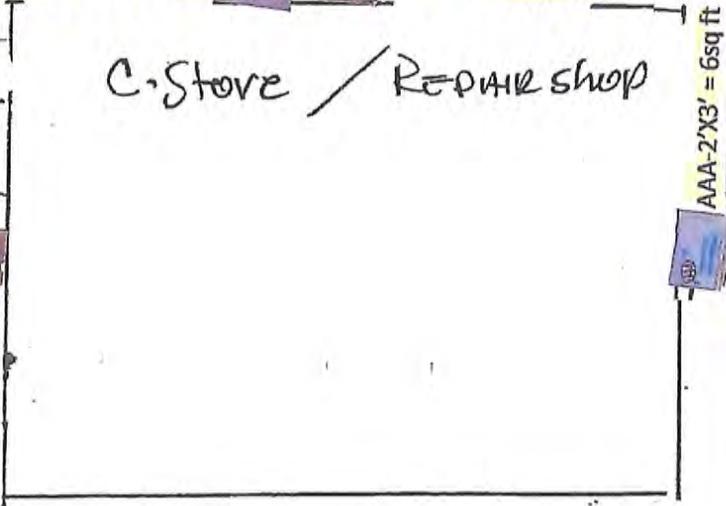
66.5" x 103" = 47.56 sq ft.



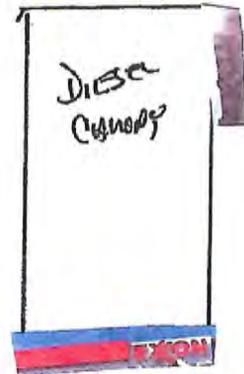
Exxon 32" x 90" = 20sq ft

AAA-2'X3' = 6sq ft

K-4'X4' = 16sq ft



Exxon 32" x 90" = 20sq ft

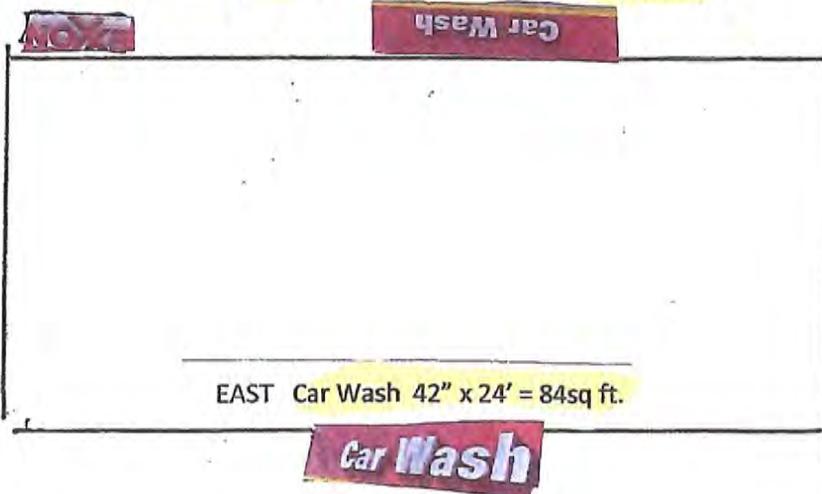


Exxon 32" x 90" = 20sq ft

RED FOX ROAD

WEST Exxon 19" x 48" = 6.3sq ft

WEST Car Wash 27" x 15' = 33.75sq ft



EAST Car Wash 42" x 24' = 84sq ft.

SITE LAYOUT
SHOWING LOCATION
AND SIZE OF
EXISTING WALL
AND CANOPY
SIGNS.

EXXON STATION
3854 LEXINGTON



Legend

- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Parcel Boundaries

200.0 0 100.00 200.0 Feet



1: 1,200

NAD_1983_HARN_Adj_MN_Ramsey_Feet

© Ramsey County Enterprise GIS Division

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THIS MAP IS NOT TO BE USED FOR NAVIGATION

Notes

Exxon Aerial View



7-8"

Welcome to



Shoeview *Amoco*

2 LINE 6 INCH
MESSAGE BOARD

Regular
Unleaded

1.359

Mid-Grade
Silver

1.359

Diesel

1.359

10'

8'

8'

EXISTING MONUMENT SIGN

VOTE ON AMENDED MOTION

Ayes - 7

Nays - 0

COMPREHENSIVE SIGN PLAN

FILE NO: 2525-14-15
APPLICANT: IDENTI GRAPHICS/DAVE KROONA
LOCATION: 3854 LEXINGTON

Presentation by Senior Planner Rob Warwick

The application is to amend the existing Comprehensive Sign Plan for the property to allow replacement of the existing monument sign with a 61 square foot monument sign with an integrated 29.5 square foot message center sign in full color LED display. The property is located in the C2, General Commercial District with boundaries on Lexington Avenue, Red Fox Road and I-694.

Currently, the property is developed with two buildings, a fuel station/C-store/auto repair, and a car wash building. Two canopies shelter the fuel island. A Comprehensive Sign Plan was approved in 1999 and amended in 2004. The new proposed sign will have four panels to identify the different services offered, including a gas price display for unleaded fuel. The message center sign will be 29.5 square feet and integrated into the monument sign. Sign area does not include the message center and gas price display. The existing base will be used to support the proposed sign.

The 11.28 foot height of the monument sign and 61 square foot sign area exceed the standards for a building of this floor area. Reductions have been made in response to staff comments. Staff considers the height, including the existing 2-foot sign base, to be reasonable and consistent with the height of nearby signs.

Message center signs are permitted with a maximum of 50 square feet in the C2 District. The proposed message center has an 8-second static display with legible text size and only identifies the goods and services available on the site. The message center will replace any future use of temporary signs for the property.

Property owners within 350 feet were notified of the application. No comments have been submitted.

Staff makes the following findings to recommend the Planning Commission forward this application to the City Council for approval with conditions listed in the staff report:

- The proposed sign uses the logos for Exxon and Circle K throughout the site

- Colors are red and white of the logos, and also used on the car wash signs
- The height is due in part to re-use of the existing sign base
- The height will aid in visibility when viewed from north and south bound traffic lanes
- The message center has better aesthetics than temporary signs for promotions
- Access is via right-in only from both streets

Chair Solomonson asked if graphics are allowed on message center signs. Mr. Warwick answered, yes, but no animations. Chair Solomonson asked if there is only one dimmer for all the illuminated signs. Mr. Warwick stated that the car wash and Circle K signs have internal lights. There is one dimmer.

Commissioner Ferrington noted that only one grade of fuel is advertised. Mr. Warwick explained that only unleaded fuel will be advertised to reduce signage area to comply with City sign standards.

Mr. Tony Ramer, Oak Grove, MN; **Mr. Jim Nelson**, St. Louis Park, MN; and **Mr. Kevin Keenig**, Croix Oil Company (supplier to the site) 7832 Polaris Lane, Maple Grove, MN.

Chair Solomonson asked how the dimmer operates. **Mr. Nelson** explained that lighting during the day will be shut off. The price sign is on 24 hours as will the message center. The lighting brightens during the day and dimmer at night. Chair Solomonson asked if the brightness standard is measured by the entire sign or each panel. Mr. Warwick stated that the whole sign is measured.

Commissioner McCool asked the need for the 12-foot height is needed and if it would work at 10 feet. **Mr. Ramer** responded that the diesel advertising has already been taken out. They feel that to reduce the height would be another element that is critical. If electronic message centers are too small, it is a nuisance with people finding it hard to read. **Mr. Keenig** stated that the panels are the smallest available. Anything smaller would have to be specially made.

Commissioner McCool asked if those controlling the signs are aware of City regulations regarding what can be advertised. He noted that while permitted to sell five cars on the lot, there have been 6 and 8 cars on the site for sale. He is concerned about noncompliance and this added approval. **Mr. Ramer** stated that the station manager controls signage text.

Chair Solomonson asked what dictates location for the sign. Mr. Warwick stated that the setback is 5 feet from the road. Usually they are located near that boundary for maximum visibility.

Commissioner Ferrington asked what would happen if temporary signs appear on the property, when they are now prohibited with the addition of the new message center sign. Mr. Warwick stated that when there are violations, staff contacts the owner, advises of the violation and issues a time period to bring into compliance. Staff believes that the display sign will meet the needs of the businesses on this site and negate further violations.

DRAFT
PLANNING COMMISSION MINUTES
MAY 27, 2014

MOTION: by Commissioner Schumer, seconded by Commissioner Proud to recommend the City Council approve an amendment to the Comprehensive Sign Plan submitted by Identi Graphics for the Exxon station at 3854 Lexington Avenue.

This approval is subject to the following:

1. The signs shall comply with the plans approved for the Comprehensive Sign Plan, File No. 1742-99-09, as amended (see File No. 2091-04-21) and this application (File No. 2525-14-15). Any significant change will require review by the Planning Commission
2. The applicant shall obtain a sign permit prior to the installation or refacing of any signs on the property.
3. This approval will expire after one year if a sign permit has not been issued and construction commenced.
4. Signage on the propane tank shall not advertise commercial messages unless required by the State of Minnesota.
5. Temporary signs shall not be displayed on the property, since the message center sign provides the mechanism to display promotional information and advertisements.
6. In accordance with Conditional Use Permit 12-33, additional signage advertising car sales is not permitted on the property, with the exception of window signage displayed in the vehicle being offered for sale. Said window signage shall not exceed 11" x 17" in area. The message center sign shall not be used to advertise vehicles for sale.
7. The message center sign shall:
 - a. Display text of a sufficient size so as to be readable by passing motorists without distraction.
 - b. Display messages in their entirety to allow passing motorists to read the entire copy.
 - c. Not display telephone numbers, email address or internet urls.
 - d. Display messages for a minimum of 8 seconds, and change instantaneously.
 - e. Present messages in a static display, and shall not scroll, flash, blink or fade.
 - f. May display time, temperature and other graphics related to weather conditions. Advertisement is limited to goods and services offered on-site.

This approval is based on the following findings of fact:

1. *The plan proposes signs consistent in color, size and materials throughout the site for each type of proposed sign.* Existing and proposed signs have uniform color and materials with colors generally based on the Exxon and Circle K logos. The wall sign for the car wash use white letters on a red background.

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To adopt a motion to appoint Rebecca Olson to the Minnesota Metro North
Tourism Board, d/b/a the Twin Cities Gateway.

ROLL CALL:	AYES _____	NAYS _____
JOHNSON	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

Regular Council Meeting
June 16, 2014

TO: MAYOR AND COUNCILMEMBERS

**FROM: TERRY SCHWERM
CITY MANAGER**

DATE: JUNE 11, 2014

SUBJECT: APPOINTMENT TO THE MINNESOTA METRO NORTH TOURISM BOARD

INTRODUCTION

The City Council is being asked to adopt a motion appointing Rebecca Olson, Assistant to the City Manager, to the Minnesota Metro North Tourism Board.

BACKGROUND

In 2010, the City of Shoreview, along with several other communities in the north metro area, entered into an agreement to participate in the Minnesota Metro North Tourism group, d/b/a Twin Cities Gateway (TCG). The Twin Cities Gateway serves as the Visitors Bureau for the north metro region. The TCG is funded through a hotel/motel tax on room nights of lodging establishments in the cities that belong to the organization.

The lodging tax generated by the three hotels in Shoreview makes Shoreview the largest financial contributor to the organization. The by-laws that exist for the organization allow Shoreview to have three representatives on the Board. Currently, the City Manager serves as one representative to the Board and Kory Lesnick, representing both the Hampton Inn and Hilton Garden Inn, also serves on the Board. Former Assistant to the City Manager Tessia Melvin served as Shoreview's third representative to the Board. It is recommended that Rebecca Olson be appointed to the Board. Rebecca has worked closely with the TCG Board since its inception in 2009 and is very familiar with the work of the Board.

RECOMMENDATION

Based on the foregoing information, it is recommended that the City Council adopt a motion to appoint Rebecca Olson to the Minnesota Metro North Tourism Board, d/b/a the Twin Cities Gateway.

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

to approve Resolution No. 14-39 accepting the bid from Pearson Brothers Inc. for the 2014 Street Seal Coating, City Project 14-04, and authorizes the Mayor and City Manager to execute a construction contract for Alternate 2 in the amount of \$295,173.20.

ROLL CALL: AYES _____ NAYS _____

JOHNSON _____

QUIGLEY _____

WICKSTROM _____

WITHHART _____

MARTIN _____

REGULAR COUNCIL MEETING
JUNE 16, 2014

TO: MAYOR, CITY COUNCIL, AND CITY MANAGER

FROM: THOMAS L. HAMMITT
SENIOR ENGINEERING TECHNICIAN

DATE: JUNE 12, 2014

SUBJECT: AWARD OF BID
2014 STREET SEAL COAT PROJECT
CITY PROJECT NO. 14-04

INTRODUCTION

Bids were received on June 5, 2014, for the 2014 Seal Coat Project. Award of a contract is required by the City Council.

BACKGROUND

Seal coating is a maintenance strategy that extends the life of asphalt streets. The City seal coats every street on a regular cycle. The City is divided into seven zones. A map of the seal coating in Zone 7, the very southern portion of Shoreview, is attached for reference.

The City of Shoreview recently advertised for bids for the 2014 Seal Coat Project. This year's seal coating project consists of approximately 13 miles of streets.

<u>Contractor</u>	<u>Alternate 1</u> Standard Oil	<u>Alternate 2</u> Polymer Oil
Pearson Brothers Inc.	\$ 279,921.80	\$ 295,173.20
Allied Blacktop Co.	\$ 297,680.60	\$ 320,557.70

The City received two bids for this year's contract; this is typical as there are a limited number of vendors in this market who are capable or willing to perform this specialized work in accordance with the most modern materials and specifications.

This year we bid the project with an alternate on oil type. In past years we have used the standard CRS-2 oil. This year we wanted to know the cost of using CRS-2P oil. The 2P has polymers in the oil that have advantages over the standard oil. The 2P oil has a higher softening temperature which holds the aggregate better in warm temperatures. It holds the aggregate earlier to allow sweeping sooner. The polymer protects the aggregate from impact shock from turning traffic, stopping traffic and snow removal equipment. With polymers there is less chance of loose rock after the final sweep. A number of Cities have used this oil for a number of years with good results.

Pearson Brothers submitted the lowest bid. They have been awarded our contract in 8 of the last 10 years. They have completed projects on time and have done good quality work.

FUNDING

As was noted in the City Council report of May 5, 2014, staff was expecting bid prices comparable to last year's costs. The Capital Improvement Program allocates \$288,400 for the seal coating and an additional \$19,000 for the crack-sealing program in 2014.

With the advantages of the polymer oil, staff is recommending we use the CRS-2P Oil for this year's project. While the cost is approximately 5% over the cost of the other oil, the project would only be approximately 2.3% over the budget. Seal coating has been under budget four of the last five years. Staff feels it is worth the increase to evaluate the polymer oil.

While the costs for this type of work have risen over the years, staff believes that seal coating is still the most cost-effective pavement maintenance strategy for the majority of Shoreview streets. Since the funding levels and project specifications for our seal coating program were reevaluated in 2001, the City has made significant progress in maintaining the overall Pavement Condition Index (PCI) for city streets. This has been accomplished, while the negative impacts and resident concerns/complaints about seal coating have dramatically decreased.

PROJECT SCHEDULE

The project is anticipated to start in late June or July and take about four days of application. Final sweeping will start within a 2-3 days after seal coating.

RECOMMENDATION

It is recommended that the City Council approve the award of bid to Pearson Brothers Inc. for the 2014 Seal Coat Project, City Project No.14-04 in the amount of \$295,173.20, Alternate 2.

tlh

#14-04

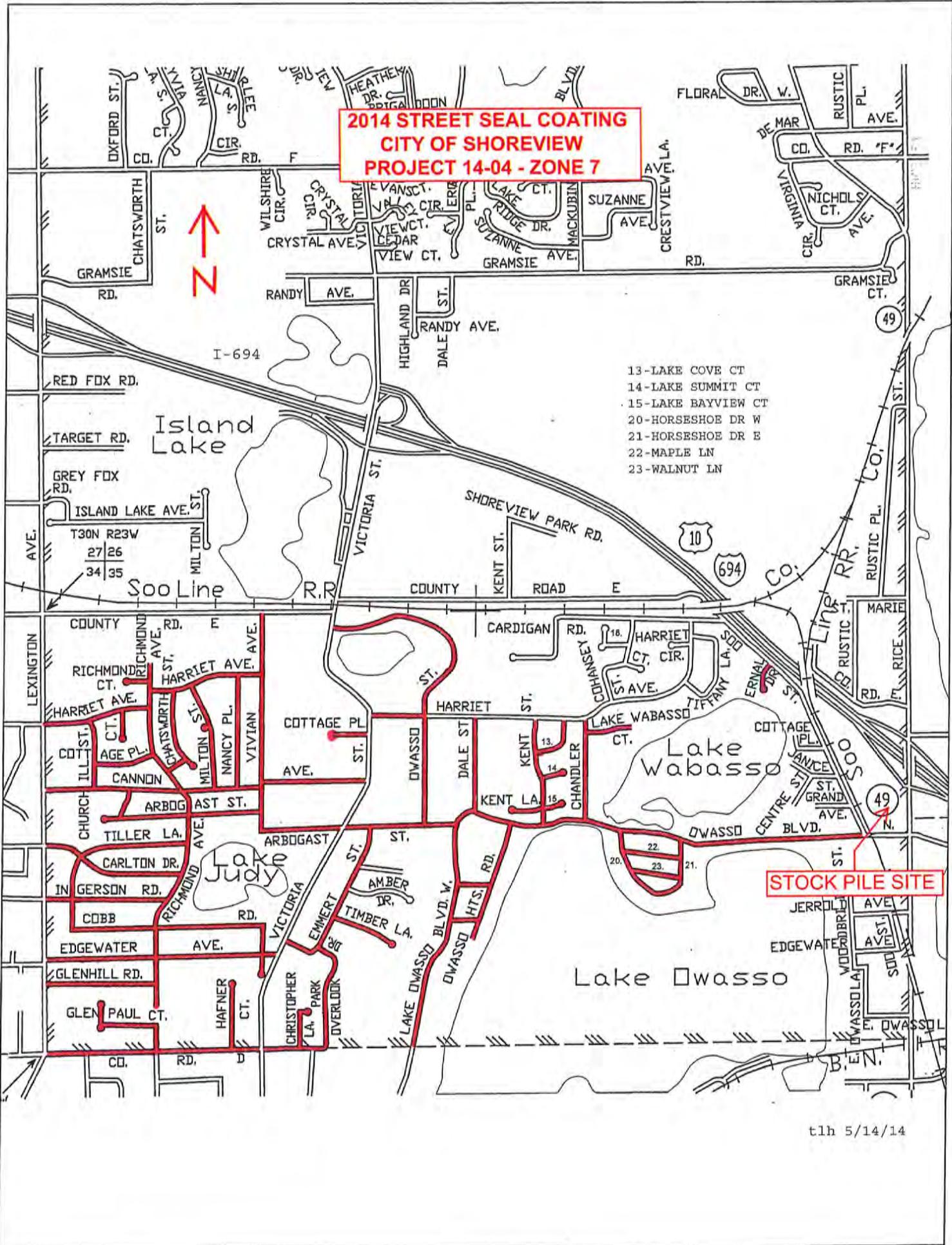
t:/projects/sealcoat/2014/council/awdbid14

**2014 STREET SEAL COATING
CITY OF SHOREVIEW
PROJECT 14-04 - ZONE 7**



- 13-LAKE COVE CT
- 14-LAKE SUMMIT CT
- 15-LAKE BAYVIEW CT
- 20-HORSESHOE DR W
- 21-HORSESHOE DR E
- 22-MAPLE LN
- 23-WALNUT LN

STOCK PILE SITE



**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

HELD JUNE 16, 2014

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on June 16, 2014, at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-39
APPROVING AWARD OF BID
2014 STREET SEAL COAT PROJECT
CITY PROJECT NO 14-04

WHEREAS, on June 5, 2014, bids were opened for the 2014 Street Seal Coat Project No. 14-04, and

WHEREAS, pursuant to an advertisement for bids for the improvement, bids were received, opened, and tabulated according to law, and the following bids received complying with the advertisement:

<u>Contractor</u>	<u>Alternate 1</u>	<u>Alternate 2</u>
	Standard Oil	Polymer Oil
Pearson Brothers Inc.	\$ 279,921.80	\$ 295,173.20
Allied Blacktop Co.	\$ 297,680.60	\$ 320,557.70

WHEREAS, the lowest responsible bidder appears to be Pearson Brothers Inc.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Shoreview, Minnesota:

1. All bids were received as submitted on June 5, 2014, and
2. The Mayor and City Manager are hereby authorized and directed to enter into a construction contract for City Project 14-04, with the low bidder, Pearson Brothers Inc. in the amount of \$ 295,173.20.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ and upon vote being taken thereon, the following voted in favor thereof:
All members present;

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted this 16th day of June, 2014.

STATE OF MINNESOTA)
)
COUNTY OF RAMSEY)
)
CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified and acting Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council held on the 16th day of June, 2014, with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates to the approval of the Award of Bid for the 2014 Street Seal Coat Project, City Project 14-04.

WITNESS MY HAND officially as such Manager and the corporate seal of the City of Shoreview, Minnesota, this 17th day of June 2014.

Terry C. Schwerm
City Manager

SEAL

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

to adopt Resolution 14-25 directing the preparation of and determining the cost sharing for a preliminary engineering report for Turtle Lake Augmentation.

ROLL CALL: AYES ____ NAYS ____

JOHNSON	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

REGULAR COUNCIL MEETING
JUNE 16, 2014

TO: MAYOR, CITY COUNCIL, AND CITY MANAGER
FROM: MARK MALONEY, PUBLIC WORKS DIRECTOR
DATE: JUNE 12, 2014
SUBJ: PRELIMINARY ENGINEERING REPORT AND COST PARTICIPATION
FOR TURTLE LAKE AUGMENTATION

INTRODUCTION

The City of Shoreview previously received a request from the Turtle Lake Homeowner's Association (TLHA) to prepare a preliminary engineering and feasibility study for augmenting Turtle Lake. The City Council discussed, then tabled consideration of the request at their meeting of May 5, 2014 pending details related to potential State funding as well as an upcoming election for the TLHA Board. With information concerning those details, staff is requesting City Council action concerning the preparation of this study and establishing cost sharing parameters with the TLHA.

DISCUSSION

The Shoreview City Council received a request at its March 10th workshop meeting from the Turtle Lake Homeowners Association (TLHA) Board in place at that time to examine the feasibility of lake augmentation, and to prepare a preliminary engineering report. Since that time, a TLHA Board election occurred, and the new Board has recently forwarded a similar request (see attached).

As noted in the preliminary concept study that was completed in 2011 (portions attached), Turtle Lake was augmented by various water sources from 1923-1989. From 1950 through 1989, the augmentation occurred through the pumping of groundwater wells directly into the lake. During the 1950-1989 timeframe, the lake level was generally maintained between 891 and 892 feet as shown in the attached charts. The Department of Natural Resources banned the use of ground water wells for lake augmentation in 1989 and the pumping operations were discontinued.

Since that time, the lake level at Turtle Lake has fluctuated quite a bit. Turtle Lake is particularly susceptible to lake level fluctuations due to its small watershed. The lake level was low during the early 1990's, but rebounded to be at relatively high levels through the mid to late 1990's. It was low again in 2000 and rebounded quickly and was at high levels until 2006. Since 2007, the lake levels have generally remained below the 891.00 level, dropping as low as 889 late in 2009. The heavy snow last winter together with the rainfall this spring has raised the lake level substantially and it is now at 891.5 as of this week.

Using the City's previous involvement in the Snail Lake augmentation, the Council has discussed the issue of TLHA participating in the cost of preparing the preliminary engineering report. As part of this discussion, City Council members stressed the essential role of the City as being responsible for the preparation of the study and administering the process as typical of a public improvement project. The estimated cost of the preliminary engineering report is approximately \$100,000; and it is assumed that the total cost for an augmentation project for Turtle Lake could be in the \$1.5M - \$2.0M range. However, better estimates for total project costs are highly dependent on the conditions set forth in environmental and water appropriation permits and would not be known until the completion of this study.

At the workshop meeting of April 14, 2014, City Council members appeared comfortable with the concept of the City providing 25% of the funding necessary for the preparation of the preliminary engineering report, up to a maximum City participation of \$25,000. The Council indicated that the remainder of the costs for the report would need to be provided by the TLHA or others, and placed in escrow prior to the beginning of the work. If the TLHA is in agreement with these terms the City Council would, at a future meeting date, need to approve a formal cost sharing agreement.

At the March workshop meeting, one of the stated reasons for lake augmentation was the importance of maintaining property values on Turtle Lake. At that time, it was noted that the overall property value on Turtle Lake for 2014 declined by about 5%, while all residential properties in Shoreview were up more than 9% in 2014. The Council requested that the staff contact the County Assessor regarding this information. Staff contacted the Ramsey County Assessor who confirmed that about 70% of the homes on Turtle Lake decreased in value for the 2014 assessment. While the assessor did not directly link the loss in value to the lower lake levels, it was noted that most other lakeshore property in this area, including Snail and Owasso, did see slight increases in value. He did indicate that "preserving lake levels will serve to protect tax base against further erosion and may help restore lost value."

If authorized by the Council, City staff will request a proposal (RFP) for the necessary professional services to prepare a preliminary engineering report for Turtle Lake Augmentation. The RFP will describe a scope of services that includes all necessary analysis of potential augmentation sources and determine their financial feasibility of a potential project. In addition, the services will include interaction with environmental permitting (and advisory) agencies in an effort to determine agency support for proposed improvements. The scope of services and resulting work plan would be staged with interim milestones/deliverables to allow for meetings with the TLHA and City Council (if necessary) in the event that the agency/environmental permitting requires reevaluation of source water alternatives. Staff anticipates reviewing a draft of the RFP with the TLHA leadership to insure it includes information they will need to make a decision on a potential future project.

Neither a preliminary engineering report nor potential augmentation infrastructure is currently included in the Public Works Department's work program/operating budget or in the Capital Improvement Program. Efforts to provide State funding for a preliminary engineering report via the Minnesota State Legislature this session were successful; HF3172 makes \$75,000 available to the City via a grant through the Metropolitan Council to help fund a feasibility study. If the

City moves forward with the report as requested by the TLHA Board, it is recommended that the State grant funding be used and the remainder of funding be consistent with the 25/75 City/TLHA split previously discussed by the City Council. Accordingly, with an estimated total report cost of \$100,000, it is proposed that funding for the remaining \$25,000 be \$6,250 City of Shoreview and \$18,750 TLHA. The City's City share of report or potential project costs would be funded by Shoreview's Surface Water Utility.

Using Snail Lake as an example, if the process continues to move toward lake augmentation, it could take approximately 18 to 24 months for completion of the study, creation of a Lake Improvement District, and for public improvements to be undertaken.

RECOMMENDATION

City Council direction is necessary for the preparation of a preliminary engineering report for Turtle Lake Augmentation. Council action is also requested at this time for establishment of cost sharing associated with the report. Resolution 14-25 has been drafted and is included for City Council consideration.

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA**

HELD JUNE 16, 2014

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on June 16, 2014, at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-25

RESOLUTION ORDERING PREPARATION OF
PRELIMINARY ENGINEERING REPORT
FOR
TURTLE LAKE AUGMENTATION

WHEREAS, the City of Shoreview has received a request from the Turtle Lake Home Owners Association (TLHA) to evaluate the technical details and financial feasibility of augmenting Turtle Lake; and

WHEREAS, the City of Shoreview has evaluated the request and determined a cost sharing scenario for costs attributable to the preparation of a Preliminary Engineering Report for Turtle Lake Augmentation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Shoreview, Minnesota, as follows:

1. The Public Works Director is hereby ordered to oversee the preparation of a preliminary engineering report for Turtle Lake Augmentation, including (but not limited to) the analysis of potential source water options, their expected environmental impacts, and financial feasibility of improvements.

2. The City of Shoreview will fund 25%, up to a maximum of \$6,250, of costs attributable to the preliminary engineering report. The remaining portion is to be funded by the Turtle Lake

Tim Krinke
President
Turtle Lake Homeowners Association
855 Village Center Drive, #315, St. Paul, MN 55127
June 10, 2014

Sandy Martin, Mayor
Emy Johnson, Councilmember
Terry Quigley, Councilmember
Ady Wickstrom, Councilmember
Ben Withhart, Councilmember
City of Shoreview
4600 Victoria St. N.
Shoreview, MN 55126

Dear Mayor Martin and Councilmembers:

At the May 5th, 2014 Shoreview City Council meeting it was requested that the Turtle Lake Homeowners Association (TLHA) Board provide a letter to the City Council indicating the TLHA Board's intention to proceed with a feasibility study related to the augmentation of Turtle Lake. This letter is a response from the TLHA Board to the above mentioned request.

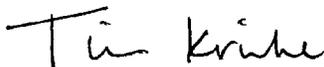
The Turtle Lake Homeowners Association (TLHA) Board would like the Shoreview City Council to direct staff to develop a Request for Proposal (RFP) for a feasibility study and full engineering report for the purpose of augmenting Turtle Lake with water from an outside source. Staff would work with the TLHA Board to develop the RFP.

The Turtle Lake Homeowners Association Board would like the City to select a contractor from respondents to the above RFP and determine the cost of the feasibility study and final engineering design.

The Turtle Lake Homeowners Association would like the city of Shoreview to receive the \$75,000 grant from the Metropolitan Council and participate financially as needed to further this study.

Thank you for considering our request.

Sincerely,

A handwritten signature in black ink that reads "Tim Krinke". The signature is written in a cursive, slightly slanted style.

Tim Krinke
TLHA President

152.1 for ownership of equipment purchased
 152.2 under the grant program and contract
 152.3 requirements that cover the disposition
 152.4 of purchased equipment if the grantee no
 152.5 longer exists. Any equipment purchased
 152.6 with state grant money must be specified
 152.7 on the grant application and approved by
 152.8 the commissioner. The commissioner may
 152.9 spend up to three percent of the appropriation
 152.10 to administer the grant. This is a onetime
 152.11 appropriation and is available until June 30,
 152.12 2016.

152.13 **Subd. 6. Parks and trails fund cancellation**

152.14 The appropriation for \$530,000 from the
 152.15 parks and trails fund for trail improvements
 152.16 on the Duluth Cross City West Trail and the
 152.17 Superior Hiking Trail in St. Louis County in
 152.18 Laws 2013, chapter 137, article 3, section 3,
 152.19 paragraph (c), clause (12), is canceled.

152.20 **Sec. 7. METROPOLITAN COUNCIL** **\$** **-0-** **\$** **525,000**

152.21 \$450,000 in 2015 is from the natural
 152.22 resources fund for metropolitan area regional
 152.23 parks and trails maintenance and operations.
 152.24 This appropriation is from the revenue
 152.25 deposited in the natural resources fund
 152.26 under Minnesota Statutes, section 297A.94,
 152.27 paragraph (e), clause (3). This is a onetime
 152.28 appropriation.

152.29 \$75,000 in 2015 is for a grant to the city of
 152.30 Shoreview for a feasibility study regarding
 152.31 the lowering of the water level of Turtle Lake
 152.32 and the possible effects of an augmentation
 152.33 of the lake. This is a onetime appropriation.

Augmentation System Operations

The objective for the augmentation system operation is to minimize the extremely low water level periods and allow the lake to fluctuate “normally” within an established operating range.

Augmentation History

Source: Terry Noonan, Ramsey – Correspondence July 10, 1991:

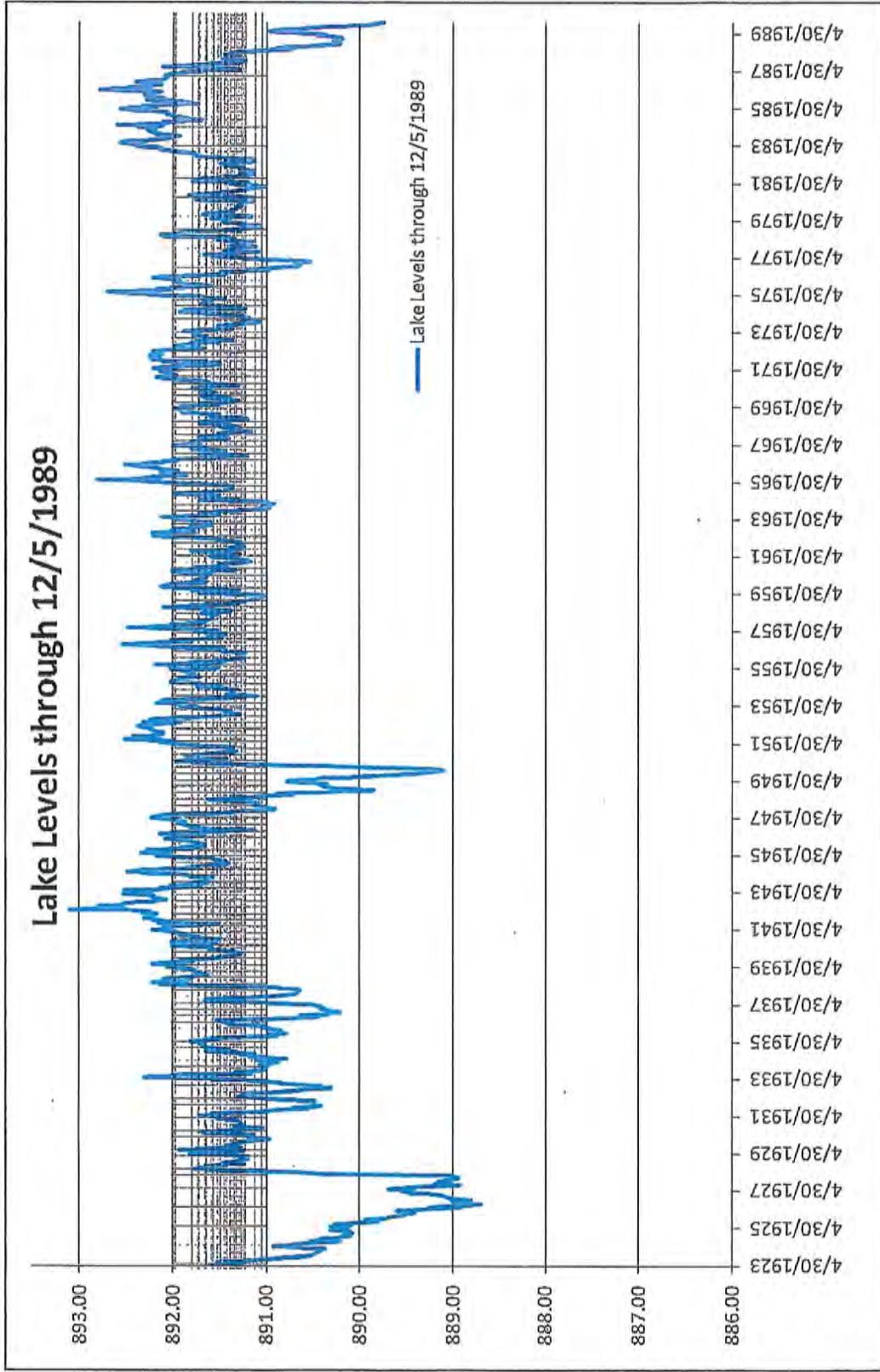
- Turtle Lake was augmented 40 out of 68 years since 1923 until pump shut-off in 1989 (about 59% of the time).
- Water from the St. Paul Water Utility (SPWU) (now Saint Paul Regional Water Services or SPRWS) was used as a source for augmentation starting in 1928 in conjunction with a 910 gpm County ground water pump.
- The County ground water pump was discontinued in 1934.
- SPWU was only source of water between 1934 and 1950.
- In 1950, Ramsey County installed a new 2200 gpm ground water pump
- The last year of augmentation was 1989

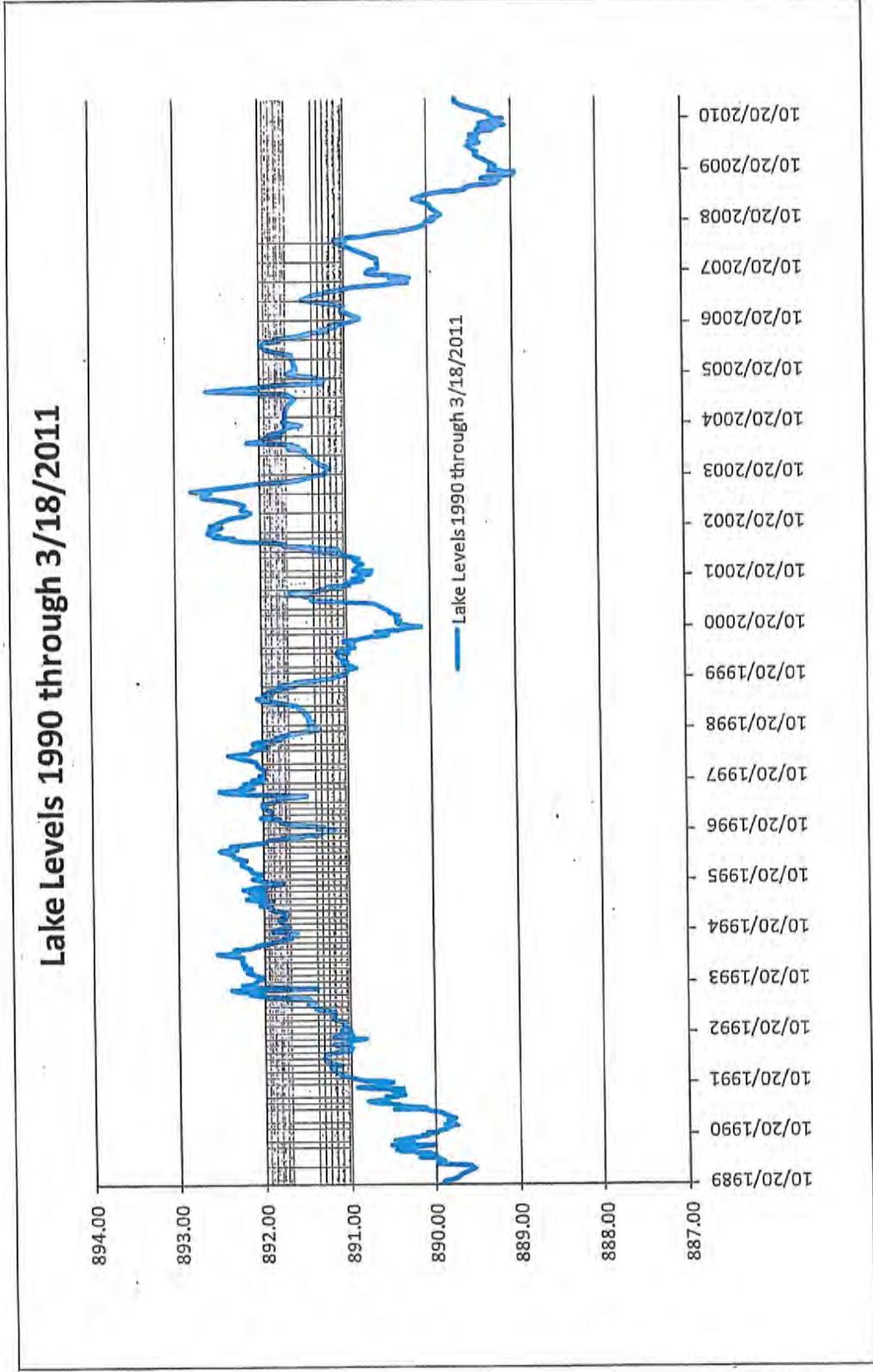
Days of Augmentation	Number of years (68)	Percent of total years
0 – 25 days	39	57%
26 – 50 days	12	18%
51 – 75 days	5	7%
76 – 100 days	7	10%
> 100 days	5	7%

Physical Conditions

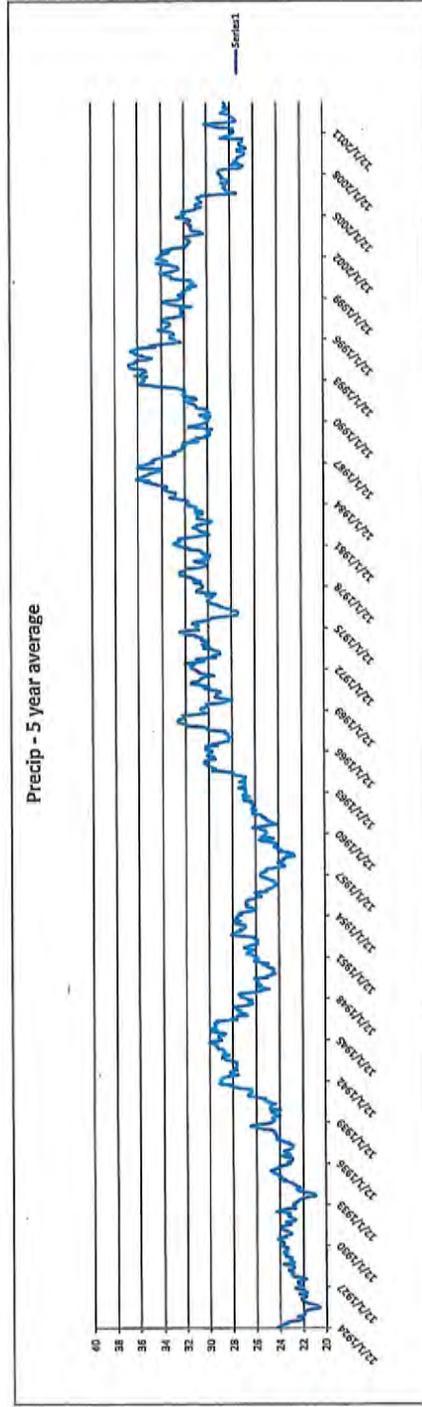
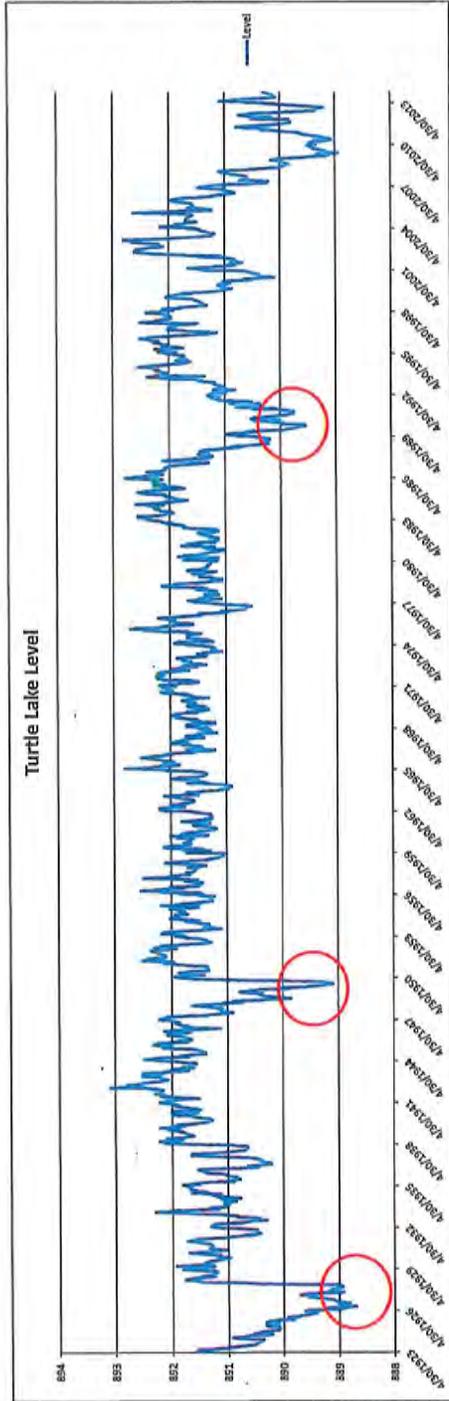
For the purposes of this study, it is assumed that lake levels will be managed so as to mimic lake level fluctuations prior to 1989. The table below summarizes important lake level information.

Highest	893.1	5/31/1942
Lowest	888.7	8/14/1926
	889.19	10/27/2010
	889.53	1/20/2011
	890.28	6/1/2011
Average – period of record	891.39	Ave 2760 Readings ending 3/18/2011
Average during Augmentation	891.47	Ave 2065 Readings ending 12/5/1989
Average post Augmentation	891.12	Average 695 Readings 1/9/1990 – 3/18/2011
Ordinary High Water Level	892.4	
Lowest early June Post Augmentation	889.39	6/4/2010
Lowest early January Post Augmentation	889.34	1/11/2010
Highest early June Post Augmentation	892.62	6/15/2005
Highest early January Post Augmentation	892.16	1/5/1994



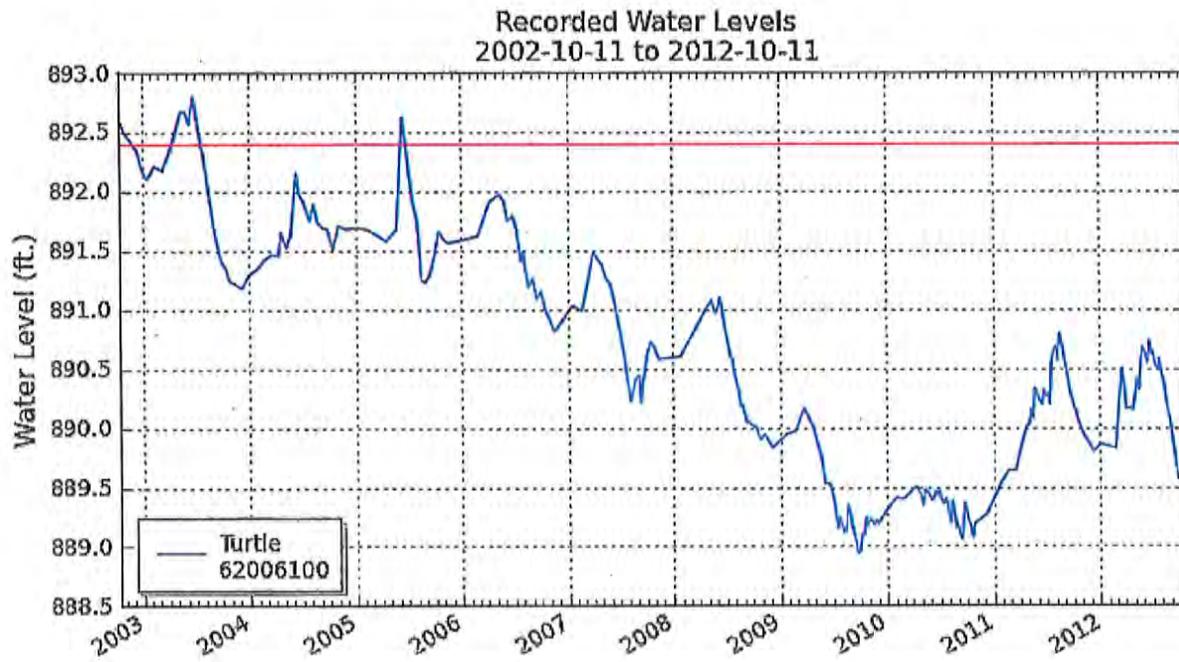


**Turtle Lake
Lake Level and Precip.**



1828 - Augmentation begin 251.7 MG
 1847-1918 - No Augmentation
 1889 - Last Year of Augmentation
 1928 to 1945 - SPWU (1872-1934 also well)
 1850 to 1989 - All Well Augmentation

Source: Lake Level - MN DNR Website
 Precip. - Minnesota Climatology Working Group - Data from Vadnais Lake site (or nearest site)



**PROPOSED MOTION
ESTABLISHMENT OF A RAILROAD QUIET ZONE**

MOTION BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To adopt Resolution 14-35 pursuing the implementation of a 24-hour railroad quiet zone for the north-south corridor (St. Paul Subdivision) at the Jerrold Avenue and North Owasso Boulevard crossings, subject to the rules and regulations of the Federal Rail Administration *and* amend the professional services agreement with SEH, Inc. adding this corridor to Phase 2 of the Railroad Quiet Zone Study.

ROLL CALL: AYES _____ NAYS _____

Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting
June 16, 2014

s:\commdev\kathleen\quietzone\06-16-14ccreport

To: Mayor, City Council and City Manager

From: Kathleen Castle, City Planner

Date: June 12, 2014

Re: Establishment of a Railroad Quiet Zone – North South Corridor; Amendment to Professional Services Agreement with SEH, Inc.

Introduction

The City recently received funding through the State Bonding Bill to improve the railroad crossings at North Owasso Boulevard and Jerrold Avenue in order to establish a quiet zone on the north-south rail corridor (St. Paul Subdivision) that runs through the City. Shoreview is being awarded a \$500,000 grant to improve these crossings so they comply with the minimum standards needed to establish a quiet zone. Funding was also awarded to Little Canada to improve crossings on the portion of this corridor that lies within their jurisdiction.

Previously, the City has executed agreements with SEH, Inc. to explore the feasibility of establishing quiet zones and pursue the creation of a quiet zone along the east-west corridor (Paynesville Subdivision) at the Lexington Avenue and Victoria Street crossings. An amended agreement is being presented to the Council to include the establishment a quiet zone along the north-south corridor.

Budget and Schedule

The cost of services is \$9,000 and includes assistance with the execution of the grant agreement with the Minnesota Department of Transportation and construction agreements with the Canadian Pacific Railroad.

The improvements required at the crossings on the north-south corridor are more complex than those required for the crossing improvements on the east-west corridor. These improvements will include median construction on the roadways, new or upgraded signalization and signage. North Owasso Boulevard is also the jurisdiction of Ramsey County, therefore, any improvements on this segment of road will need County approval. The rail signal work will need to be completed with the cooperation of the Canadian Pacific, the Minnesota Department of Transportation and the City. Due to the extent of improvements needed and agency involvement, it is expected that the quiet zone for this corridor would be implemented in the Fall of 2015, at the earliest.

Recommendation

With the execution of this agreement, SEH, Inc. will complete the work needed to establish quiet zones at the North Owasso Boulevard and Jerrold Avenue crossings on the north-south Canadian Pacific rail line. Resolution #14-35 is being presented to the Council for adoption. This

Resolution formally acknowledges the City's legal authorization and intent to comply with the FRA standards to create a 24-hour quiet zone at these crossings. Staff is recommending the Council adopt Resolution 14-35 supporting the establishment of a quiet zone and authorize the City Manager to execute the professional services agreement with SEH, Inc.

Attachments:

- 1) Resolution 14-35
- 2) Professional Services Agreement dated June 9, 2014
- 3) Shoreview Railroad Crossing Map

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD MAY JUNE 16, 2014**

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall 4600 North Victoria St. in said City at 7:00 PM.

The following members were present:

And the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-35

**A RESOLUTION OF THE CITY COUNCIL
AUTHORIZING THE ESTABLISHMENT OF A QUIET ZONE**

WHEREAS, pursuant to Minnesota State Statute Section 219.166, the City of Shoreview supports the establishment of a quiet zone at the Jerrold Avenue railroad crossing and the North Owasso Boulevard railroad crossing along the east west rail corridor also known as the St. Paul subdivision.

WHEREAS, the City of Shoreview is pursuing a railroad quiet zone in response to increased rail traffic on the north-south corridor of the Canadian Pacific rail line, the St. Paul Subdivision

WHEREAS, the crossings will be improved with include median construction on the roadways, new or upgraded signalization and signage in accordance with the Federal regulations for a quiet zone.

WHEREAS, a plans and specifications will be prepared and a Notice of Intent will be mailed by certified mail to the affected agencies including the Canadian Pacific Railway, Canadian National Railway, the Minnesota State Department of Transportation and Ramsey County for comment.

WHEREAS, a Notice of Establishment will be mailed by certified mail to the affected agencies including the Canadian Pacific Railway, Canadian National Railway, the Minnesota State Department of Transportation and Ramsey County a minimum of 21 days prior to the implementation of the quiet zone.

WHEREAS, the adopted quiet zone will conform to the federal law and the regulations of the Federal Railroad Administration under United States Code, title 49, section 20153.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City of Shoreview will establish a quiet zone for the Jerrold Avenue and North Owasso Boulevard crossings along the Canadian Pacific's St. Paul Subdivision rail line.

The motion was duly seconded by Member and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

WHEREUPON, this resolution was declared duly passed and adopted the 16th day of June, 2014.

STATE OF MINNESOTA)

COUNTY OF RAMSEY)

CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 16th day of June, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to the establishment of a quiet zone in the City of Shoreview in Ramsey County, Minnesota.

WITNESS MY HAND officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this 16th day of June, 2014.

Terry C. Schwerm, City Manager

SEAL



Building a Better World
for All of Us[®]

June 9, 2014

RE: City of Shoreview
Railroad Quiet Zone Phase 2 south
SEH No. 126043

Mark Maloney
Director of Public Works
City of Shoreview
4600 Victoria St. N.
Shoreview, MN 55126-5817

Dear Mark:

SEH has concluded the first phase of the quiet zone study and the City has requested SEH's help with the next phase of implementing a quiet zone for Jerrold Avenue and North Owasso Boulevard. This letter outlines a scope of work to provide professional services to the City of Shoreview to implement a railroad quiet zone. This letter serves as a Supplemental Letter Agreement as set forth in our general engineering services contract.

Background

Over the last few months, SEH conducted a feasibility to enact a railroad quiet zone for the four railroad grade crossings within the City. Based on those results and recommendations, the City has authorized SEH to assist in pursuing a quiet zone for two of the four crossings (Lexington Avenue and Victoria Street). The City was successful in obtaining a grant from the State of Minnesota to pursue a quiet zone for the other two crossings.

The implementation of the quiet zone consists of 5 steps:

- 1) Prepare plans for improvements at each crossing.
- 2) Submit Notice of Intent (NOI) to the Railroads, MnDOT, and Ramsey County for comments. This includes plans, risk index calculations, inventory updates and schedule. Each agency has 60 days to comment.
- 3) Based on comments, construction plans are finalized and construction is scheduled.
- 4) Construction is started and completed
- 5) Submit Notice of Establishment (NOE) to the FRA, Railroads, MnDOT and Ramsey County. This is a 21 day notice that all improvements are in place and sets the date to start the quiet zone.

The improvements for Jerrold Avenue and North Owasso Boulevard are new or upgrade railroad signals with gates, median construction and installation of passive warning signs. The CP requires that all railroad signal work be completed by their forces under agreement with the City and MnDOT. Their normal time frame to complete the work is one year after a signed agreement.

Scope of Work

The scope for this phase of the work has the following tasks:

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-5196
SEH is 100% employee-owned | sehinc.com | 651.490.2000 | 800.325.2055 | 888.908.8166 fax

Mark Maloney
June 9, 2014
Page 2

1. Assist City is obtain an executed grant agreement with MnDOT and construction agreements with CP Railroad.
2. Prepare plans and specifications for the improvements at Jerrold Avenue and North Owasso Boulevard.
3. Conduct a 48 hour traffic count for Jerrold Avenue.
4. Prepare the Notice of Intent (NOI) packet for the City to submit.
5. Revised plans based on NOI comments.
6. Assist City with Construction activities.
7. Review all improvements to ensure the requirements of the rules are met.
8. Prepare 21 day Notice of Establishment (NOE) packet for the City to submit.

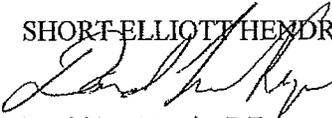
Budget and Schedule

The budget for this work \$9,000. The work would be done on an hourly basis plus direct expenses. The work would take 60 days after receipt of an approved contract to submit the 60 notice of intent. The construction phase, railroad agreement and NOE will take until July of 2015.

This agreement is an understanding of the project. If this document satisfactorily sets forth you understanding of our agreement, please sign in the space below and return one copy to our office. We look forward to working with you, your staff and the community on this project. Thank you for the opportunity to continue to work with the City of Shoreview.

Sincerely,

SHORT-ELLIOTT/HENDRICKSON INC.



David McKenzie, P.E.
Project Manager

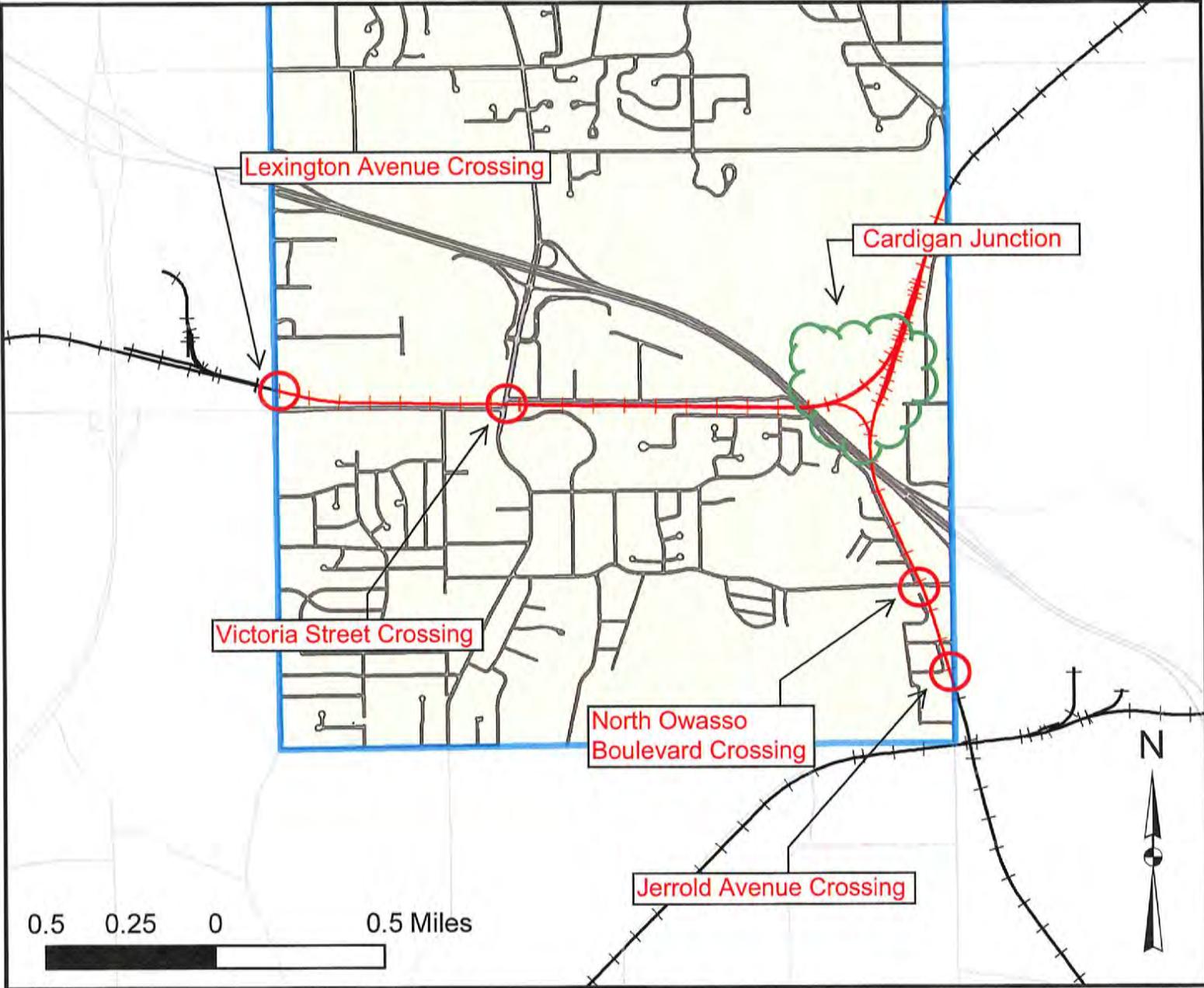
City of Shoreview, Minnesota

Approved this _____ day of _____, 2013

By _____

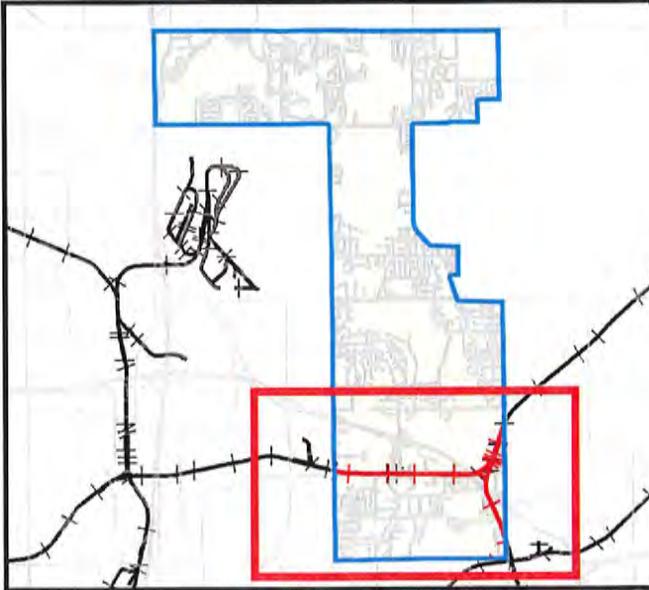
c: Mark Lobermeier
Sue Mason

Shoreview Railroad Crossings



Legend

- +— Railroad in Shoreview Boundaries
- At Grade Crossings



PROPOSED MOTION

MOVED BY COUNCIL MEMBER _____

SECONDED BY COUNCIL MEMBER _____

To adopt Resolution 14-34 approving the amendments to Chapter 9, Section 9D, Surface Water Management and Chapter 11, Natural Resources related to surface water management, subject to the following condition.

1. Said approval is contingent upon the Metropolitan Council's approval of the Comprehensive Plan Amendment.

The recommendation is based on the following finding:

1. The proposed amendment updates the City's practices related to surface water management.

ROLL CALL: AYES _____ **NAYS** _____

Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting
June 16, 2014

TO: Mayor, City Council and City Manager
FROM: Kathleen Castle, City Planner
DATE: June 12, 2014
RE: File No. 2520-14-14, City of Shoreview – Comprehensive Plan Amendment, Surface Water Management

Introduction

A text amendment to Comprehensive Plan regarding surface water management is being presented to the City Council for adoption. The intent of the amendment is to recognize changes that have occurred with surface water management since 2008 when the Comprehensive Plan was adopted.

Proposed Amendment

Chapters that are proposed to be amended include Chapter 9, Community Facilities and Services, Section 9, Surface Water Management and Chapter 11, Natural Resources. Please refer to your hardcopy of the Comprehensive Plan or the City's website, <http://www.shoreviewmn.gov/government/comprehensive-plan-test>, for the existing Maps. The changes address the following:

Watershed Management Districts

In 2012, the City of Shoreview and Roseville officially dissolved the Grass Lake Water Management Organization (GLWMO) and the responsibility for wetland management has been transferred to the Ramsey Washington Metro Watershed District (RWMWD). RWMWD serves as the Local Government Unit responsible for administering the Wetland Conservation Act for a portion of the Vadnais Lake watershed and the Grass Lake watershed. References to the GLWMO have been removed and replaced with the RWMWD. Maps 9D.1, Watersheds with Jurisdictional Boundaries and 9D.5, Watershed sub-basins have also been amended to reflect this change.

Floodplain Management

Language regarding floodplain management and reference to map amendments completed in 2005 has been updated. In 2010, the Federal Emergency Management Agency (FEMA) completed an update to the Flood Insurance Study (FIS) and revised the Flood Insurance Rate Map (FIRM) for the City of Shoreview. The City then amended the Flood Plain Management Ordinance to remain in compliance with FEMA requirements, and so residents remain eligible for flood insurance through the National Flood Insurance Program. Map 9D.7, Flood Map/LOMR has also been revised.

Surface Water Utility Fee

The City has adopted a surface water utility fee to fund repair and replacement of existing conveyance systems and provide a funding source for implementation of programs and improvements. The City's Capital Improvement Plan (CIP), which has a 5-year time horizon, includes a detailed description of

projects. The adopted Plan includes Table 9D-1 which identifies projects to be completed between 2008 and 2012. This table has been updated to include those projects identified in the 2014 CIP.

Planning Commission Review

At the April 22nd meeting, the Commission discussed the proposed changes, provided comments and continued the public hearing to the May 27th meeting. The hearing was continued so Commissioners would have additional time to submit comments. Additional comments were submitted by Commissioner Proud and have been attached to this report. While some text changes have been made in response to these comments, some are outside the scope of the Comprehensive Plan and are better suited for implementation tools such as the Surface Water Management Plan and Development Code. The City is planning on updating the Surface Water Management Plan in 2016 after Ramsey Washington Metro Watershed District updates their plan. The City's Plan must be consistent with those plans of the Watershed Districts that have jurisdiction in the City.

The Commission continued the hearing at the May 27th meeting, reviewed the additional comments received and recommended approval to the City Council with a 7 to 0 vote.

Public Comment

A public hearing notice was published in the City's Legal Newspaper, the Shoreview Bulletin, on April 9th. The Planning Commission opened the public hearing on April 22nd and closed the hearing on May 27th. No comments from the public have been received.

Recommendation

The proposed amendment addresses changes related to Surface Water Management. Since the adoption of the 2008 Comprehensive Plan, there have been changes to the watershed management organizations, floodplain management and the CIP. The proposed amendment addresses these changes. Staff is recommending the City Council adopt Resolution 14-34 approving the amendment, subject to the following condition:

1. Said approval is contingent upon the Metropolitan Council's approval of the Comprehensive Plan Amendment.

Attachments:

1. Draft Text Amendment, including List of Maps
2. Maps
 - a. 9D.1, Watersheds with Jurisdictional Boundaries
 - b. 9D.5, Watershed Sub-basins
 - c. 9D.7, Flood Map/LOMR
3. Comments – Commissioner Proud
4. Planning Commission Minutes – April 22nd and May 27th
5. Motion

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD JUNE 16, 2014**

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall 4600 North Victoria St. in said City at 7:00 PM.

The following members were present:

And the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-34

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SHOREVIEW FOR
A COMPREHENSIVE PLAN AMENDMENT**

WHEREAS, the City of Shoreview initiated a Comprehensive Plan Amendment to address changes regarding surface water management; and

WHEREAS, the Comprehensive Plan Amendment amends Chapter 9, Section 9D, Surface Water Management and Chapter 11, Natural Resources related to surface water management ; and,

WHEREAS, the Planning Commission acting in accordance with the provisions of Municipal Code Section 203, held a public hearing and reviewed the Amendment at their April 22nd and May 27, 2014 meetings and recommended approval; and,

WHEREAS, the City Council considered the proposal at a regular meeting on June 16, 2014 and approved the Comprehensive Plan Amendment based on the following findings:

1. The proposed amendment updates the City's practices related to surface water management.

NOW, THEREFORE, BE IT FURTHER RESOLVED that this amendment shall not become effective until this approval is subject to review and approval by the Metropolitan Council.

The motion was duly seconded by Member and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON, this resolution was declared duly passed and adopted the 16th day of June 2014.

STATE OF MINNESOTA)

COUNTY OF RAMSEY)

CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 16th day of June, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to this Comprehensive Plan Amendment.

WITNESS MY HAND officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this 16th day of June, 2014.

Terry C. Schwerm, City Manager

SEAL

Section 9D Surface Water Management

Introduction

Physical Environment

As Shoreview's name implies, the City has a variety of lakes, wetlands and waterways that provide aesthetic, environmental and recreational value to the community. The City has an area of 8,100 acres (12.7 square miles) of land of which approximately 2,400 acres are a combination of surface water and Type 3 to 7 wetland features. Portions of three major watersheds exist within the City (**Map 9D-1**) managed by two watershed management organizations (WMO): Rice Creek Watershed District and Ramsey Washington Metropolitan Watershed District. The ~~three two Watershed Management Organizations~~ (WMOs) include the Grass Lake Watershed encompassing approximately 3,100 acres, the Rice Creek watershed encompassing approximately 4,650 acres and the Vadnais Lake Watershed encompassing approximately 350 acres.

In addition to jurisdiction by the WMOs, a number of lakes, wetlands and creeks are included on the State of Minnesota Inventory of Protected Waters, and so are under the jurisdiction of the Minnesota Department of Natural Resources (**Map 9D-2**). Of the eight lakes in Shoreview, five have public boat access facilities operated by Ramsey County Parks and the water quality in these five lakes supports full body contact recreational uses (**Map 10-1**).

The City is now almost fully developed and will rely on infill and redevelopment to meet the changing needs of residents. Overall, the low-density residential development pattern will remain with some areas transitioning to higher density residential uses, employment centers, and shopping areas. Other Chapters of this Plan fully discuss the City's goals for land use and economic development that will guide development during the life of this Plan. The City recognizes the many effects land development has on surface waters and the natural environment. As a developed community, the City has a challenging surface water resources environment, with large areas of the City developed prior to establishment of surface water regulations.

The geology, soils, and other physical features that exist in the City are described in other chapters of this Plan, including Land Use (Chapter 4), Natural Resources (Chapter 11), Water Supply (Chapter 9C), and Park and Open Space (Chapter 10). Surface Water Management is interrelated to these other elements of the Plan, and so there is necessarily overlap and repetition with the information presented in those Chapters of the Plan.

Regulatory Environment

The regulatory environment for surface water management includes many Federal, State, and local agencies.

Federal Government

Federal programs and regulations that affect how the City manages surface water include the Clean Water Act (CWA) and National Pollutant Discharge Elimination System (NPDES) Phase II Storm Water Permit Program and Flood Plain Management.

The CWA regulates pollutants in surface water and includes provisions that regulate discharge of material into waters of the United States, including wetlands. The Environmental Protection Agency develops and interprets policy for Section 404 permitting and the Army Corps of Engineers administers the permitting process.

As an amendment to the CWA, the NPDES program requires owners of Municipally Separated Storm Sewer Systems (MS4) to prepare and implement a Storm Water Pollution Prevention Program (SWPPP) and apply for the permit with the Minnesota Pollution Control Agency (MPCA), which administers the Phase II MS4 program in the state.

In 2010, the Federal Emergency Management Agency (FEMA) completed an update to the Flood Insurance Study (FIS) and revised the Flood Insurance Rate Map (FIRM) for Ramsey County, including the City of Shoreview. The City then amended the Flood Plain Management Ordinance to remain in compliance with FEMA requirements, and so residents remain eligible for flood insurance through the National Flood Insurance Program.

State of Minnesota

State agencies responsible for surface water include the Minnesota Board of Water and Soil Resources (BWSR), the MPCA, and Minnesota Department of Natural Resources (MN DNR).

BWSR is the administrative agency for the soil and water conservation districts, watershed districts, metropolitan watershed management organization, and county water managers. The agency works with local government to protect and enhance the State's soil and water resources by implementing the states soil and water conservation policy, comprehensive local watershed management, and the Wetland Conservation Act (WCA). The purpose of the WCA is to maintain and protect Minnesota's wetlands and the benefits they provide. BWSR administers the act and the MN DNR enforces it.

The MN DNR also enforces shoreland management standards for certain lakes and rivers. The Shoreland Management Act regulates all land within 1,000-feet of a lake and 300-feet of a river and its designated floodplain. The City adopted a Shoreland Ordinance in 1992, and the regulations have been amended in 1994, 2000, and 2004. The Ordinance has been approved by the MN DNR.

Local Government – City of Shoreview and Watershed Management Organizations

The programs that drive the regulations for management of surface water within the City principally include, but are not limited to, the State’s Metropolitan Surface Water Management Program (MSWMP) and Watershed Management Organizations (WMO).

The purpose of the MSWMP is that through policies and thoughtful program implementation, goals for proper water and wetland resource management can be realized and water quality can be protected. Regulations for this program are set forth in Minnesota Statutes 103B.201 to 103B.255, and Minnesota Rule, Chapter 8410. These Statutes and Rules require the preparation of watershed plans by WMOs and the preparation of local water management plans that are consistent with the respective WMO plans.

As noted above, ~~the watersheds in Shoreview-is are located within three two~~ major watershed districts: the Rice Creek Watershed District (RCWD); ~~the Grass Lake Watershed Management Organization (GLWMO), and; the Vadnais Lake Area Watershed Management Organization (VLAWMO) and the Ramsey Washington Metro Watershed District (RWMWD).~~ The watershed districts act as the local unit of government for surface water management and have the authority to adopt rules to regulate, conserve, and control the use of water resources within the district. The City of Shoreview works with the districts and the City’s current Surface Water Management Plan (SWMP) was reviewed and approved ~~by GLWMO and the~~ RCWD. ~~VLAWMO does not have jurisdictional authority within the City but was included in the planning and review process of the SWMP. RWMWD was designated as a watershed authority in Shoreview after another watershed management organization (Grass Lake) dissolved in 2012.~~

The City complies with the agencies, programs, and various regulations listed above and intends to remain in compliance into the future.

The natural environment remains relatively static in that the City’s geology, soils, lakes and wetlands are set in place. The regulatory environment is dynamic, and the City must maintain goals, policies and implementation techniques that reflect the changing regulations for surface waters in the City, and the changing conditions that result from actions that affect surface waters and stormwater runoff.

Surface Water Management Plan

The Second Generation SWMP was adopted in 2005, and establishes a guide for surface water activities throughout the City. The SWMP is intended to remain dynamic by providing new information, ideas, methods, standards, and management practices. An electronic copy is available on the City website.

The City reviews the plan and residents or businesses within the City can request amendments to the plan. The City Council and the WMO's determine whether or not to approve the proposed amendment.

The SWMP includes an inventory of the natural resources found in the community. This information is also included in the Comprehensive Plan, in this Chapter and in Natural Resources – Chapter 11.

- National Wetland Inventory (NWI) wetlands (**Map 9D-3**)
- Wetland Classification (**Map 9D-4**)
- Watershed sub-basins (**Map 9D-5**)

The SWMP established nine main goals each with corresponding policies and implementation actions. The nine goals are intended to address the following aspects of surface waters:

1. Water Quality
2. Water Quantity (Flooding)
3. Wetlands
4. Erosion Control
5. Groundwater
6. Recreation, Habitat, and Shoreline Management
7. Public Participation, Information, and Education
8. Maintenance and Inspection
9. Regulatory Responsibility

Action-Implementation Plans were developed for each of the nine goals and each water body category in Shoreview. The Action Plans identify current or potential problems related to achieving the stated goals and recommended approaches and/or solutions for addressing the problems. The Action-Implementation Plan may include specific activity steps, reference to the applicable NPDES Permit Best Management Practice (BMP), available resources, and the means of measuring the completion of the activity step and a target date for completion.

Concurrent with the development of the SWMP, the City collected and analyzed the information necessary to update the Flood Insurance Rate Map (FIRM), and submitted a Letter of Map Revision (LOMR) to the Federal Emergency Management Agency. The LOMR was accepted by FEMA in March 2005 (**Map 9D-7**).

National Pollutant Discharge Elimination System / Storm Water Pollution Prevention Program

The NPDES Phase II storm water permit program in urban areas is designed to further reduce adverse impacts to water quality and puts controls on runoff that have the greatest likelihood of causing continued environmental degradation.

The regulatory program in Minnesota covers three aspects of storm water runoff: Industrial Sites, Municipally Separated Storm Sewer Systems (MS4), and construction sites. The City of Shoreview qualifies as an MS4 and is responsible for storm water that discharges to waters of the state coming from within the jurisdiction of the City and conveyance systems owned by the City such as storm drains, ditches, and storm water ponds. The City was required to apply for an NPDES permit and develop a SWPPP to address stormwater discharges.

The City submitted the initial NPDES permit application and SWPPP in 2003 and subsequent annual reports summarizing the status of compliance with permit conditions. A revised NPDES permit application and SWPPP was submitted in 2006. An electronic copy is available on the City website.

The SWPPP addresses six minimum control measures required as part of the NPDES permit process. To address each of the minimum control measures the SWPPP provides a description of each Best Management Practice (BMP), an implementation, measurable goals that determine the success or benefit, and the person responsible for its completion. The minimum control measures are listed below:

1. Public Education and Outreach
2. Public Involvement and Participation
3. Illicit Discharge Detection and Elimination
4. Construction Site Storm Water Controls
5. Post Construction Storm Water Management for New Development and Redevelopment
6. Pollution Prevention/Good Housekeeping for Municipal Operations

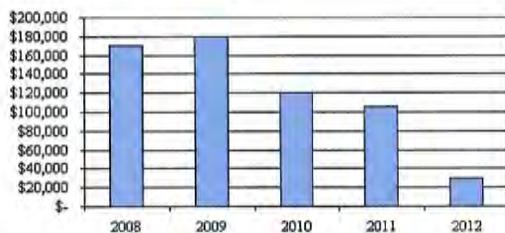
Surface Water Utility Fee

The City has adopted a surface water utility fee to fund repair and replacement of existing conveyance systems and provide a funding source for implementation of goals listed in the SWMP and BMPs listed in the SWPPP. Estimated operating costs, capital costs, and debt payments for insuring the integrity of the system are included in the City's Comprehensive Infrastructure Replacement Plan and Policy, with a time horizon of 50 years. The City's Capital Improvement Plan (CIP), which has a 5-year time horizon, includes a more detailed description of projects. A copy of the portion of the current CIP showing projects addressing surface waters is attached (*Table 9D-1*).

Table 9D-1

The following table is proposed to be deleted and replaced with the Pretreatment Structure table that follows:

Description	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012
Surface Water Improvements:					
Commons park storm pond dredging	100,000	-	-	-	-
Arbogast/Lake Emily pretreatment chamber	70,000	-	-	-	-
Turtle Lane pre-treatment facility	-	80,000	-	-	-
Storm pond dredging	-	100,000	-	105,000	-
Lake Wabasso pre-treatment facility	-	-	120,000	-	-
Update storm lift station controls	-	-	-	-	30,000
TOTAL	\$ 170,000	\$ 180,000	\$ 120,000	\$ 105,000	\$ 30,000



City of Shoreview, Minnesota

Capital Improvement Program 2014-2019

Pretreatment Structures

PNA 2

Construction of storm water pretreatment structures (within the road right-of-way) near the current location of storm water pipes that directly discharge run-off into lakes. The following improvements are planned:

- 2015 - East shore of Shoreview Lake, subject to potential redevelopment of the adjacent multi-unit dwellings
- 2018 Install storm water treatment structure for elimination of a direct discharge

	2013 Estimate	2014 Planned	2015 Planned	2016 Planned	2017 Planned	2018 Planned	2019 Planned
Resources							
Debt-Surface Water Revenue			\$ 120,000			\$ 120,000	
Total Sources of Funds	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ -
Uses							
Storm Sewer			\$ 120,000			\$ 120,000	
Total Uses of Funds	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ -

Based on the City's Surface Water Management Plan, the projects have been identified to eliminate direct discharges and improve the quality of surface water run-off.

The major expenditures shown in the current CIP relate to pre-treatment of stormwater that would otherwise directly discharge to high quality natural basins or to improve the pollutant

removal capabilities, water handling capacity of existing storm ponds. These activities are generally related to improving water quality.

The City's storm water management system is funded with this utility, including storm sewer and storm water ponds (**Map 9D-6**).

Impaired Waters

The City does have five water bodies that appear on the ~~2008~~ 2012 MPCA ~~Final-Draft~~ list of impaired waters, and these are listed below:

- Rice Creek (Aquatic Macroinvertebrate and Fish bioassessments)
- Island Lake (Nutrient/Eutrophication/Biologic indicators)
- Turtle Lake (Mercury in fish tissue)
- Snail Lake (Mercury in fish tissue)
- Lake Owasso (Mercury in fish tissue)

Two of these, Snail and Owasso, are included in the Statewide Mercury Total Maximum Daily Load (TMDL) study, which was approved by the United States Environmental Protection Agency in 2007. This study identifies that deposition of mercury from the atmosphere is the principal component of the mercury concentration in game fish. No local point or non-point sources of mercury were identified in Shoreview and no City action is required.

At this time a Total Maximum Daily Load (TMDL) has not been established for the other three impaired waters located within the City. Once MPCA funding is allocated the WMO where is the impaired water is located will act as the LGU and initiate the study, and so for each of the three impaired waters within the City, the RCWD will be responsible for the study. The City of Shoreview will work with the RCWD in an advisory role in the development of the study and establishment of the TMDL. After the study is complete and a TMDL has been established the City will review the SWPPP to determine if it is adequate to meet the TMDL's Waste Load Allocations. If the SWPPP is not meeting the applicable requirements, schedules, and objectives of the established TMDL, the SWPPP will be modified as appropriate.

Although TMDL limits have not been established for the impaired waters within Shoreview's boundary the City will review the existing SWPPP to determine if modifications can be made to reduce the impact of our storm water discharge.

Goals, Policies and Recommended Actions

The City will rely on the SWMP as the primary mechanism for managing surface water resources. The SWMP establishes the following Goals.

Goals

1. **Water Quality** - Maintain or improve water quality to meet established standards consistent with the intended use and classification as identified in the City's Surface Water Management Plan, with special focus on Category I water bodies and impaired waters.
2. **Water Quantity (Flooding)** - Control flooding and protect property while minimizing public expenditures necessary to control volumes and rates of runoff.
3. **Wetlands** - Preserve and improve wetlands acreage, functions and values and achieve no net loss of wetlands in conformance with the Minnesota Wetland Conservation Act and associated rules.
4. **Erosion Control** - Minimize soil erosion and sedimentation.
5. **Groundwater** - Protect the quality and quantity of groundwater resources and promote groundwater recharge.
6. **Recreation, Habitat and Shoreline** - Recreation, habitat and shoreline management. Protect and enhance fisheries and wildlife habitat, surface water recreation and shorelands.
7. **Public Participation, Information and Education** - Public participation, information and education. Provide information and educational resources to improve knowledge and promote an active public role in management of water resources.
8. **Maintenance and Inspection** - Preserve function and performance of public infrastructure through continued implementation of a maintenance and inspection program.
9. **Regulatory Responsibility** - Maintain primary responsibility for managing water resources at the local level but continue coordination and cooperation with other agencies and organizations.

The SWMP identifies policies and implementation plans for each of these goals, and the City is committed to adhere to those policies and plans throughout the life of this Plan. Furthermore, the SWMP is annually reviewed by the City and updated as deemed necessary. Reliance on the SWMP as the principal guiding document for surface waters allows the City flexibility to respond to changing circumstances and opportunities for improving and protecting valuable surface water resources. With that basis, the following policies will guide the City:

Policies

- A. Surface water management shall meet the standards of the Rice Creek Watershed District and the Ramsey Washington Metro Watershed District Grass Lake Watershed Management

Organization. The Municipal Code and SWMP shall be reviewed regularly and amended as necessary to remain consistent with the plans and requirements of these agencies.

- B. The City will insure the Shoreland Management Ordinance and Floodplain Management Ordinance remains consistent with the requirements of the Department of Natural Resources.
- C. The City will remain in compliance with MS4 NPDES/SWPPP requirements.
- D. The City will encourage development and redevelopment activity to incorporate regional storm water ponds in their storm water management plans.
- E. The City will require compliance with erosion control regulations for projects disturbing soil within the City, and the use of BMPs on these sites.
- F. The City, along with other agencies, will work to develop education and outreach programs to promote practices that enhance surface waters in the City.
- G. The City will promote infiltration of surface water, for development projects and for individual residential properties and commercial developments.
- H. The City will encourage vegetative buffers around ponds, lakes and wetlands. The width and vegetation type shall reflect the wetland/lake classification and its function.
- I. ~~Groundwater recharge areas around~~ City wells shall be protected through the protection of groundwater recharge areas and from surface water flooding and other methods as identified in the City's Wellhead Protection Plan and in

Similar to policies, the SWMP also details implementation actions, which the City intends to use as the principal policy instrument for managing surface waters. The City expects the following actions will occur:

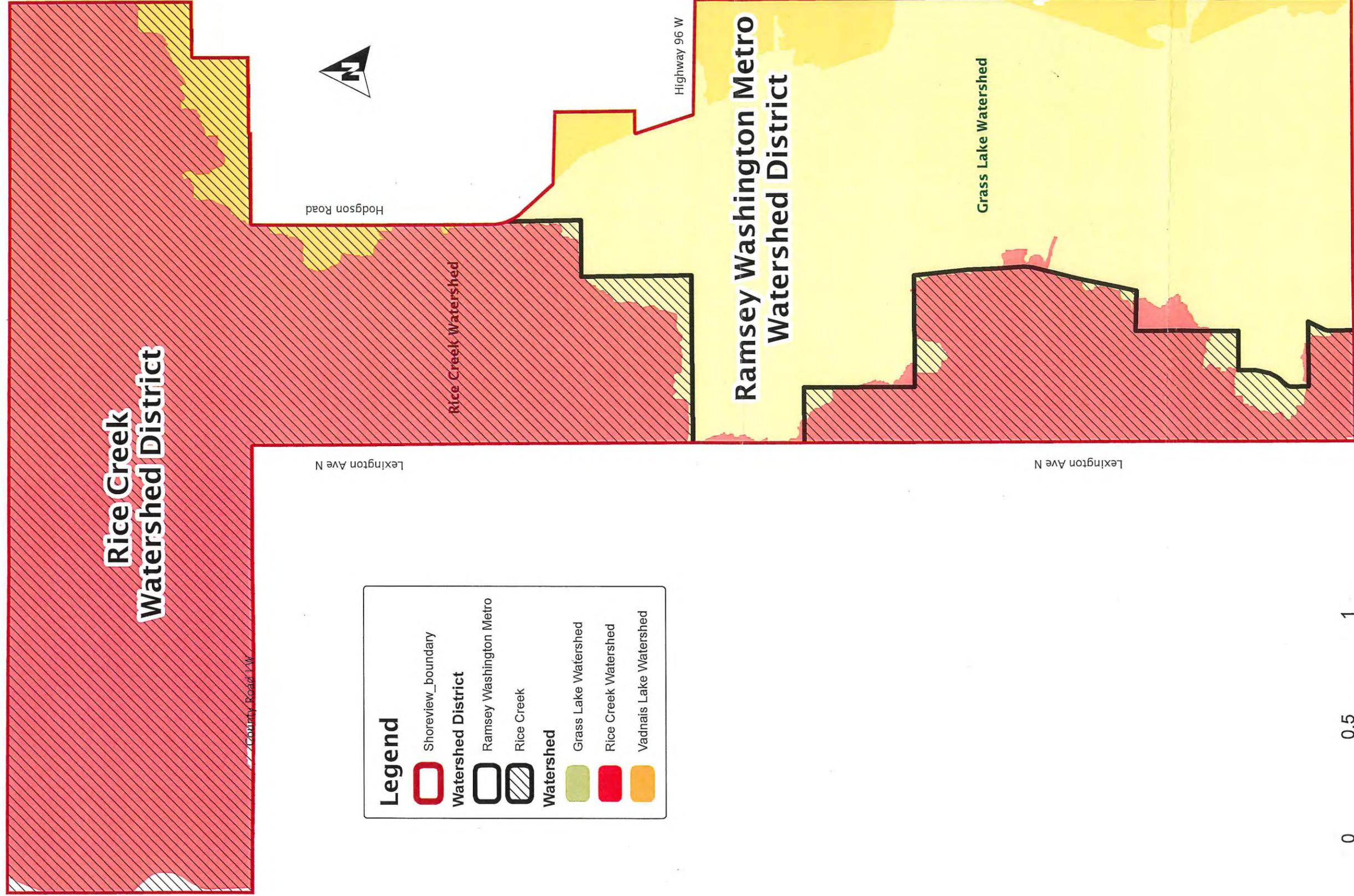
Recommended Actions

1. The City will work to develop and implement a program to detect and eliminate illicit discharges into the storm water system.
2. The City will review the Municipal Code requirements that regulate impervious surfaces for opportunities to reduce hard surface on development and redevelopment sites. The City will encourage the use of pervious materials for hard surfaced areas.
3. The City will participate in TDML studies and implementation of recommended actions for impaired waters. The City will conduct activities to improve the quality of impaired waters.

4. The City will conduct an annual review of the SWMP and SWPPP to insure these are up-to-date, and consistent with WMO, state and federal regulations.
5. The City will continue to monitor private Individual Sewage Treatment Systems within the City and to track required system maintenance based on annual review of records.
6. The City will review the monitoring of private ponds for compliance with maintenance activities.
7. The City anticipates adopting a Wellhead Protection Plan during the life of this Plan (See Chapter 9C – Water Supply).
8. The City will continue to participate in education and outreach programs to promote resident participation in addressing these surface water goals.
9. The City will explore incentives to encourage property owners to implement stormwater BMPs on their property.
10. The City will consider the Goals and Policies for surface water management while conducting maintenance activities and constructing public improvements.
11. The City ~~anticipates that in 2009 regulations for erosion and sediment control will be amended to better reflect City practice~~ will continue to monitor the City's ordinances related to erosion and sediment control for compliance to state and federal regulations and amend as needed.

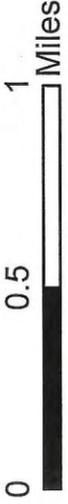
County Road J W

County Road J W



Legend

- Shoreview_boundary
- Watershed District**
- Ramsey Washington Metro
- Rice Creek
- Watershed**
- Grass Lake Watershed
- Rice Creek Watershed
- Vadnais Lake Watershed

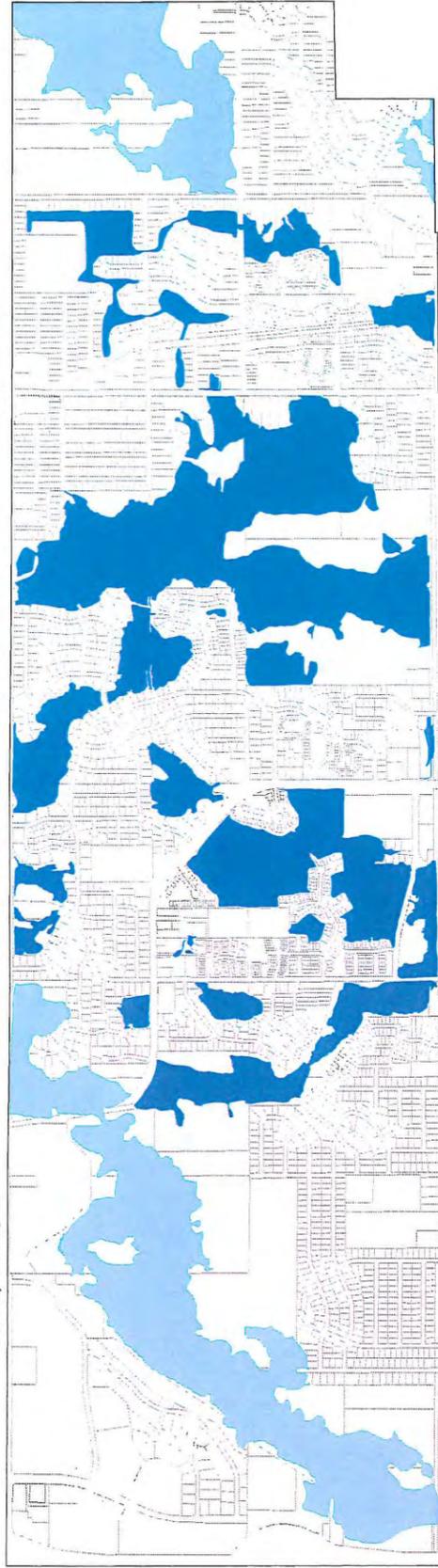


9D.1 Watersheds with Jurisdictional Boundaries



County Road J W

County Road J W



County Road I W

Lexington Ave N

Hodgson Road



Highway 96 W

Rice St

Special Flood Hazard Areas



A

Areas subject to inundation by the 1-percent-annual-chance flood event. Because detailed hydraulic analyses have not been performed, no Base Flood Elevations or flood depths are shown.



AE

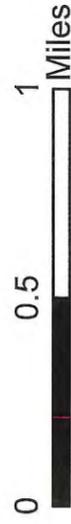
Areas subject to inundation by the 1-percent-annual-chance flood event. Areas subject to inundation by the 1-percent-annual-chance flood event determined by detailed methods. Base Flood Elevations are shown within these zones.

Special Flood Hazard Areas represent the area subject to inundation by 1-percent-annual chance flood. Structures located within the SFHA have a 26-percent chance of flooding during the life of a standard 30-year mortgage. Federal floodplain management regulations and mandatory flood insurance purchase requirements apply in these zones.

Lexington Ave N

Rice St

Disclaimer: Every effort has been made to ensure the completeness and accuracy of this map. However, the data used to create this map was compiled from a number of sources and may contain errors. This map should be used for reference only. Data should be verified independently if used for any other purpose. This document is not a legally recorded map or survey and should not be used as such.



9D.7 Flood map

Chapter 11. Natural Resources

Introduction

The City of Shoreview's environmental setting contributes to the quality of life enjoyed by its citizens. Wetlands, open space and lakes comprise about one-third of the City's area, much of which remains due to the City's tradition of protecting its natural resources from development. Current and future residents benefit from these past efforts. Natural resources are part of the City's public wealth and should be managed as any other asset. The City is almost fully developed and the focus of environmental protection measures is to provide long-term preservation and management to these public assets.

The first section of this chapter includes a brief overview of the City's **natural setting**. The following sections describe the existing condition City's natural resources including **wetlands; surface water and shoreland; wildlife and natural communities; native vegetation and woodlands; and air quality**. Each section includes:

- A brief discussion of the **benefits** accrued from the City's natural resources.
- An **inventory** of these resources, if available.
- A description of **existing regulations and programs**.

The next section identifies natural resource management **issues**. The final section includes **goals, policies, and recommended actions**.

Natural Setting

Soils and Geology

The City's geology influences all other natural resources from water to woodlands. The last glacial activity and subsequent erosion primarily shaped Shoreview's soil and topography.

The majority of the City has soils of the Anoka sand plain. This includes the entire area north of Highway 96 and the east half of the City south of Highway 96. The Anoka sand plain is a broad expanse of sands deposited by glacial melt waters.

The portion of the City located southwest of a line roughly between the Highway 96-Lexington Avenue intersection and the City's southeast corner consists mainly of soils of the Twin Cities Formation. Hilly deposits of glacial till dominate the southwestern part of Shoreview. Topography in this area is moderately rolling with occasional steep slopes and depressions. Small lakes, depressions, and drainage ways are scattered throughout the area. Wetlands in this portion of the City are generally the result of a perched water table.

The soils and geology of the City are discussed in greater detail in Chapter 9C – Water Supply.

Watersheds

Shoreview falls within three watersheds as defined by the Minnesota Board of Water and Soil Resources (BWSR). These watersheds are Rice Creek, Grass Lake and Vadnais Lake (**Map 9D-1**).

The Rice Creek Watershed District manages the larger Rice Creek watershed and portions of the Vadnais Lake watershed. ~~The Grass Lake watershed lies entirely within the cities of Shoreview and Roseville. Ramsey Washington Metro Watershed District manages the remaining portions of the Vadnais Lake watershed and the~~ Grass Lake watershed. ~~is managed by the Grass Lake Watershed Management Organization (GLWMO), created by a joint powers agreement between the two cities. The day-to-day operational authority for GLWMO functions has been delegated to the Public Works departments of the respective cities. A small portion of the eastern part of Shoreview lies within the Vadnais Lake Water Management Organization (VLAWMO).~~

Existing Conditions

Wetlands

Wetlands are fully discussed in Chapter 9D – Surface Water. Please refer to that portion of the Comprehensive Plan for a detailed examination of wetland and wetland regulation and the City's goals and policies.

Benefits

The City of Shoreview is fortunate to have an abundance of wetland resources. Wetlands provide a number of important functions in urban communities. Wetlands remove sediments and nutrients from runoff water. Through a combination of filtration and percolation, wetlands are particularly effective at filtering out the fine sediments that most degrade water quality. By providing stormwater storage, wetlands help prevent flooding and related erosion. Wildlife, including migratory waterfowl, use wetlands as habitat. Near lakes, wetlands may serve as breeding grounds for fish. As an “ecotone” or edge environment between land and water, wetlands offer unique opportunities for education and research.

Inventory

A number of wetland studies have been completed within the City of Shoreview. In 1981, a wetland inventory of the City of Shoreview was completed by the Ramsey Soil and Water Conservation District in conjunction with the U.S. Soil Conservation Service. This study identified 82 wetlands within the City, ranging in size from small depressions to large peat areas

of many acres. In 1995, the National Wetlands Inventory (NWI) was completed. This federally-sponsored study identified wetlands using the latest method for classifying wetlands. The NWI provides a general location of identified wetlands and a description of each wetland. In 1998, the City Council commissioned an aerial survey of the city. This survey provided more specific wetland location information than available from the NWI.

Most recently, wetland resources were inventoried in 2004 during preparation of the Second Generation Surface Water Management Plan (SWMP). In addition to locating wetland areas, the SWMP mapped the drainage areas for each surface water feature and modelled important basin characteristics (**Map 9D-5**). This information was used to create the Natural Resources map (see **Map 11-1**).

These data sources provide excellent information on the type and location of wetland resources in the City.

Existing Regulations and Programs

Wetlands are primarily regulated by the Wetland Conservation Act. At the local level, the Rice Creek Watershed District and the Grass Lake Water Management Organization (GLWMO) implement this act. Other agencies involved in wetland management include the Minnesota Board of Soil and Water Resources (BWSR), the Minnesota Department of Natural Resources (DNR) and the U.S. Army Corps of Engineers.

Because other agencies may have limited resources to cover large areas, the City plays an important role in the management and protection of wetland resources. The City is involved in wetland management through its role in the GLWMO; the construction and maintenance of City infrastructure; the development review process; and the management of City-owned lands. Both the Development Ordinance and the Surface Water Management Plan include provisions and standards relevant to wetland management including flood plain management, erosion control, vegetation management, standards for treatment of runoff, and best management practices.

Surface Water, Lakes and Shoreland Areas

Benefits

The City's lakes are one of the landmark features and the most significant resources in Shoreview. Lakes provide recreational opportunities from swimming to boating to fishing, and water quality is vital to the enjoyment of these activities. Clean water allows water sports without risk to public health and many species of desirable game fish cannot tolerate poor water quality. Location on or near a lake enhances property values, and all property values benefit from the number of public lake accesses available in the City. Lakes have great scenic value both from private and public properties. The City's lakes also serve as habitat for fish, waterfowl, and many other plant and animal species.

Inventory

The City has 11 lakes and one major stream at least partially within its borders. Lake Owasso straddles the border between Shoreview and Roseville, and Poplar Lake lies on the boundary of Shoreview and White Bear Township. Rice Creek crosses the northwest corner of Shoreview extending to the northeast into Anoka County and to the southwest to the Mississippi River. **Table 11-1** below summarizes available lake data. **Map 11-1**, Natural Resources, shows lakes and shoreland areas.

The Minnesota Pollution Control Agency (MPCA) compiles annual clarity data on many of the City's lakes. Clarity is measured by using a Secchi disk, a metal disk painted in a black and white pattern. The disk is lowered into the water until it disappears from view. The depth at which the disk can no longer be seen is the clarity depth recorded. Where this data has been collected for many years, a statistical analysis can determine a clarity trend. Water clarity is linked to water quality because alga growth and sediment can reduce the depth at which the Secchi disk is visible. **Table 11-1** provides water clarity trend information where available.

Table 11-1 Lake Data Summary

<u>Lake Name</u>	<u>Area (acres)</u>	<u>Maximum Depth (feet)</u>	<u>OHW Level (feet)</u>	<u>Clarity (feet)</u>	<u>Clarity Trend</u>
Turtle	409	28	892.4	7.7	No statistical trend.
Owasso	375	37	886.7	4.6	Highly significant declining trend, 1998-2007.
Snail	150	30	883.7	9.9	No statistical trend.
Grass	146	N/A	881.9	N/A	Not available.
Island	60	11	946.7	2.9	Significant declining trend, 1998-2007.
Wabasso	46	66	885.9	9.3	No statistical trend.

Table 11-1 Lake Data Summary (continued)

<u>Lake Name</u>	<u>Area (acres)</u>	<u>Maximum Depth (feet)</u>	<u>OHW Level (feet)</u>	<u>Clarity (feet)</u>	<u>Clarity Trend</u>
Martha	34	N/A	898.5	N/A	Not available.
Poplar	19	N/A	N/A	N/A	Not available
Judy	16	N/A	943.9	N/A	Not available.
Emily	12	N/A	919.5	3.0	No statistical trend.
Shoreview	11	N/A	N/A	N/A	Not available.

Source: Minnesota Department of Natural Resources Lake Survey Database. Clarity trend data from Minnesota Pollution Control Agency Lake Water Quality Trend Data, 2007.

The Minnesota DNR also monitors invasive aquatic weeds in the City's lakes. All five Shoreview lakes with public boat access have all been identified as containing infestations of Eurasian milfoil. Curly leaf pond weed, another invasive aquatic plant, is also present in several City lakes. Snail Lake is at risk for infestation by zebra mussels because it is supplemented by water from Sucker Lake which was identified as containing the invasives in late 2007.

Wetlands are discussed in detail in Chapter 9D, Surface Water, and wetland areas within the municipal boundaries have been classified by type (**Map 9D-4**).

Existing Regulations and Programs

Ordinances. The Minnesota DNR regulates all activities such as vegetation removal, filling, or dredging below the OHW level of protected waters. Shoreland is defined as the area within 1,000 feet of the Ordinary High Water (OHW) level of a lake or within 300 feet of a stream or floodplain, and the City has adopted a Shoreland Management Ordinance to regulate activities in those areas.

The City has also adopted a floodplain management ordinance to regulate disturbance within the 100-year floodplain. This ordinance seeks to protect life, property, and environmental quality through restricting and managing uses within the floodplain.

The City has a number of other ordinances related to water quality including erosion control requirements and vegetation management.

Surface Water Management Plan. In 2005, the City adopted the Second Generation Surface Water Management Plan (SWMP) to manage and protect surface water quality (see Chapter 9D). The SWMP provides goals, policies and implementation actions to protect and improve surface waters in the City.

Invasive Species. The Minnesota DNR maintains signage and waste receptacles at the City lakes infested with Eurasian milfoil. Education material on invasive species is available from the DNR and the University extension. In 2005, the City adopted a policy to participate with lakeshore homeowners associations (HOA) that develop lake management plans and work to control invasive aquatic plants, such as Eurasian watermilfoil. The HOAs for Turtle and Owasso lakes conduct annual surveys of the lakes to identify invasive species, and develop treatment plans as needed.

Goose Management. Suburban development provides attractive habitat for Canada geese. Resident geese populations have rapidly increased to the point that geese droppings are negatively impacting land use and water quality in some areas. The City participates in the Twin Cities Metropolitan Area goose capture and removal program run by the Canada Goose Program, a private firm with ties to the University of Minnesota. The program attempts to control and reduce nuisance geese populations, not to eradicate geese from a wetland or lake. See the Wildlife and Natural Community section for additional discussion of goose management.

Operations and Maintenance. The City's Public Works Department completes normal operation and maintenance activities that help prevent surface water quality degradation. These activities include street sweeping, particularly in the spring, regular holding pond maintenance, and stormwater system maintenance. Necessary stormwater improvements are regularly programmed as part of the City's Capital Improvement Project (CIP) process. See Chapter 9D, Surface Water Management for a more detailed discussion of stormwater management.

Wildlife and Natural Communities

Benefits

Given the lakes, wetlands and open space in the City and surrounding area, it is no surprise that Shoreview is home to a variety of wildlife including a number of rare species and natural communities. These species add to our biological wealth and diversity. Viewing wildlife and identifying plants provide recreational opportunities and enjoyment to many City residents. Wildlife and natural communities have significant value for education and research.

Inventory

Formal inventories have not been completed for most species within the City. The Minnesota DNR maintains records of sightings of rare species. The Ramsey County Biological Survey identifies significant natural communities in the county. **Table 11-2** summarizes rare species and natural communities identified in Shoreview. **Map 11-1**, Natural Resources, shows species and community locations.

Table 11-2 Rare Species and Natural Communities

<u>Common Species Name</u>	<u>Status*</u>	<u>Approximate Location</u>
<i>Plants</i>		
Autumn Fimbristylis	Special Concern	Snail Lake Regional Park
Club-Spur Orchid	Special Concern	Snail Lake Regional Park
Grass-Like Arrowhead	None	Snail Lake Regional Park
Tooth Cup	Threatened	Snail Lake Regional Park
<i>Animals</i>		
Blanding's Turtle	Threatened	Numerous; see Map 11-1.
Upland Sandpiper	None	Northwest near Rice Creek.
Red-Shouldered Hawk	Special Concern	Snail Lake Regional Park
River Otter	None	Rice Creek
<i>Natural Communities</i>		
Cattail Marsh	Not Applicable	Grass Lake
Hardwood Swamp	Not Applicable	Grass Lake
Inland Sand Lake Beach	Not Applicable	Snail Lake

Source: Minnesota Department of Natural Resources, Minnesota Natural Heritage Database

* All statuses shown refer to the state listing. There are currently no federally-listed species in Shoreview.

Existing Regulations and Programs

County, State and Federal Programs. State and federal laws govern protection of rare species. Management responsibility lies with the DNR at the state level and with the U.S. Fish and Wildlife Service at the federal level. Ramsey County includes protection of rare species and natural communities as one element in its management of county parks and open space. The City has no direct role in the preservation of rare species and natural communities but supports federal, state, and county efforts.

Goose Management. The City participates in the Twin Cities Metropolitan Area goose capture and removal program run by the Canada Goose Program. Nesting sites throughout the City are

surveyed, and trapping occurs at sites where the population appears to have a negative affect on the land or aquatic environment. In 2007, 21 mature Canada geese and 52 goslings were captured at Island, Turtle, and Owasso Lakes. Mature geese are killed, processed and the meat donated to local food shelves. Goslings are used by the Wildlife Science Center.

Deer Management. Ramsey County Parks Department conducts annual aerial deer surveys and operates special permit archery hunts in County praks when the number of deer exceeds the capacity of the park. In fall 2007, 22 deer were harvested from Regional Parks in Shoreview. In February 2008, there were 157 deer counted during the 2-day aerial survey of the City, and this is an increase of about 25% since the 2006 winter deer count.

Feeding Wild Animals. There are significant populations of deer and wild turkeys in the City, often congregating in areas near open space or undeveloped areas of the City. While the wild animals provide viewing opportunity and enjoyment, they can also damage landscaping, gardens, and affect public safety when they cross roads. The City adopted regulations in 2005 prohibiting intentional feeding of wild animals to discourage incursions into residential neighborhoods.

Native Vegetation and Woodlands

Benefits

Native vegetation and wooded areas provide many benefits and contribute to the quality of life in the City. Mature trees increase property values, while trees planted in public spaces represent investments that appreciate, rather than depreciate, over time. Properly located trees can reduce heating and cooling costs, control glare, and lessen noise and sound. Trees and vegetation help control erosion by intercepting rainfall and reducing the impact of precipitation on the ground while stabilizing soil with their root systems. Trees and native vegetation can also provide food, wildlife habitat, and educational opportunities. Native vegetation can serve as attractive, hardy landscaping that requires less maintenance and watering than introduced species and few, if any, applications of fertilizer or pesticides.

The City recognizes the benefits of native plants, which generally are deeper rooted, and so require less watering than other types of ground cover used in residential setting. Replacing turf grasses with native plants aids in the infiltration of stormwater and reduces demand on the municipal water supply. Yards adjacent to wetlands and lakes also provide a buffer that can reduce the nutrient load on surface water, and so having a positive affect on the water.

Inventory

No City-wide inventory of trees and woodlands exists. The Minnesota DNR maintains lists of rare plants and natural communities and their known locations (see Wildlife and Natural Communities section). Private parcels are surveyed on a project-by-project basis during the City's review process. The Ramsey County Parks and Open Space System Plan includes some information on trees and native vegetation on county land within Shoreview.

Existing Regulations and Programs

The City's vegetation management ordinance includes provisions for tree preservation and establishes replacement requirements for trees removed during development or construction. Special protection is given to "landmark", (mature) trees. Landmark trees are defined according to diameter for a particular species.

The City offers technical assistance to citizens on tree planting, maintenance, and care. The City also sponsors a tree disease management program, which seeks to identify and contain diseases such as oak wilt and Dutch elm disease. The City annually budgets to replace diseased, dying, or damaged trees on public property, including boulevards, parks, and open spaces. In addition, the City plants trees, shrubs and annual plants as part of street renewal and other infrastructure projects.

The City participates in the Blue Thumb program that is sponsored by the Rice Creek Watershed District. The City also encourages residents to utilize technical services offered by the Ramsey County Conservation District for native planting, rain gardens and shoreland restoration projects.

Air Quality

Benefits

Clean air is a basic need for human health. Polluted air has been linked to health problems such as asthma and pneumonia, particularly in children and the elderly. Air-borne particles and pollutants can travel long distances and be deposited on land and water thousands of miles away. Air pollutants can also have a detrimental effect on the built environment through acid rain and other corrosive processes.

Inventory

The MPCA operates a network of more than 40 sites around the state to monitor various air pollutants. The MPCA network includes monitoring sites in nearby municipalities, including St. Paul, Blaine, and Fridley. Specific air quality studies have not been done for Shoreview.

The MPCA compiles an annual report called an emission inventory. All facilities in Minnesota that have an air emissions permit, including some in Shoreview, are required to submit an annual emission inventory report to the MPCA. Some facilities are also required to report their emissions of toxic air pollutants annually for the Toxics Release Inventory.

Existing Regulations and Programs

Air quality is regulated by the federal Clean Air Act and by specific state statutes. The Clean Air Act was originally adopted in 1970 and amended in 1990. In Minnesota, enforcement of all

state statutes and most federal laws relating to air pollution is the responsibility of the MPCA. The MPCA helps protect the quality of the air by developing and enforcing regulations, providing education, and giving technical assistance.

Issues

Water Quality

Water quality is affected by a variety of activities that occur on the land. These activities include development of land, the alteration of wetlands and drainage ways, agriculture, turf management and waste management. Maintaining and improving the quality of both surface and groundwater is vital to the community's economy and quality of life. Water quality issues currently facing the community include land use regulations, lawn care, direct stormwater discharge and illegal dumping.

Land Use Regulations. Currently, the City's zoning ordinance does not require a minimum setback for structures or parking areas from identified wetlands. Structures or parking areas can be constructed directly adjacent to the edge of the wetland. Runoff from roofs and parking areas can be detrimental to the long-term health of the wetland. In addition, when a residential structure is close to a wetland, property owners may covertly alter or fill wetland areas to create a larger usable yard. Wetland buffers are encouraged, and sites that have been developed since adoption of the SWMP have included a 16.5 foot buffer around wetlands.

The 1998 Water Quality Initiative identified a number of specific action items geared towards improving water quality. One general recommendation of this report was to re-evaluate current impervious surface standards. Impervious surface ratios, even as little as 20 percent, have been shown to have a direct impact on water quality. The report suggested linking allowed impervious surface coverage to stormwater improvements. The Development Code was amended in 2003 reducing the maximum impervious areas allowed and encouraging the use of best management practices (BMPs) when sites are developed or redeveloped. The use of BMPs is also included in the Development Guidelines of the SWMP.

Lawn Care. Landscaping adjacent to wetlands and lakes can also have an impact on water quality. If a manicured lawn is maintained right up to the wetland boundary, runoff containing fertilizer can overwhelm the wetland's capacity for processing nutrients. Along lakeshores, many private property owners have extensively modified the natural vegetation and/or slopes to create a lawn area. The lack of a natural vegetative buffer increases runoff, sediment and nutrient transport to the lake contributing to algae blooms and other water quality problems. Lack of native vegetation can encourage resident Canada geese and can lead to water quality degradation.

Insecticides and other chemicals used for lawn maintenance can also harm habitat. Recent research has identified that long-term exposure to concentrated pesticides is dangerous to human health, especially children. In response, many communities have adopted ordinances limiting the use of pesticides on public property, particularly in parks and turf areas where children play.

Pesticides applied on lawns and turf areas can also be carried into lakes, streams, and wetlands and have a negative impact on these ecosystems.

Direct Stormwater Discharge. In September 1998, the City completed a Direct Discharge Report, which identified all direct stormwater discharges into the City's lakes. This report identified priorities for providing pre-treatment for these discharges. While managing "non-point" or dispersed nutrient and sediment sources (such as from lawns) is important to achieving water quality goals, eliminating direct stormwater discharges could have an immediate and significant impact on improving and maintaining water quality within the City. However, limited resources for discharge retrofits should be directed where it is most cost effective.

Illegal Dumping. Shoreview has a number of large wetland complexes. Portions of these wetlands are relatively isolated, and illegal dumping in these areas can be an issue. Dumping may include trash, litter, tires, yard waste, or waste oil. Illegal dumping may create a public health concern and reduces a wetland's ability to filter sediments, nutrients, and pollutants from incoming runoff. Trash and pollutants can harm wildlife and fisheries.

Vegetation

One of Shoreview's identifiable features is the natural vegetation that is found in the community's open space, residential neighborhoods and along lakeshores. A variety of vegetation types exist including mature woodlands, floodplain forests and marshlands. Development and other land use activities threaten these native plant communities. The City has recognized this threat through its tree and wetland preservation efforts. However, the use of non-native plant materials and invasive species remain issues.

Native Vegetation. As Shoreview developed, landscaping including turf and non-native shrub and tree species replaced much of the native vegetation. Loss of native vegetation reduces wildlife habitat, and non-native species may require more maintenance and chemical treatment than native species. Attractive landscaping can be created from native species, particularly in non-turf areas, but developers and landscape architects need encouragement to use these species in new developments or redeveloped areas.

Invasive Species. Invasive species are also a concern in Shoreview as they are throughout the Midwest. These species, introduced from abroad, create problems because of their rapid growth, lack of natural predators, and the difficulty in eradicating these species once they become established. Four invasive species of concern include Eurasian watermilfoil, purple loosestrife, zebra mussels, and buckthorn.

- Eurasian watermilfoil is an aquatic plant that can form thick mats that interfere with water recreation and crowd out important native plants. Eurasian milfoil has difficulty becoming established in lakes with healthy native plant populations.

- Purple loosestrife is a wetland plant that invades marshes and shorelines replacing cattails and other wetland plants. Purple loosestrife forms dense stands unsuitable for cover, food, or nesting sites and can dominate habitat formerly occupied by many endangered plants and animals. Ramsey County has had success controlling purple loosestrife using beetles that feed on the plant.
- Zebra mussels have been identified in nearby lakes and rivers. These small mussels can attach themselves to objects, clog water intakes, smother native mussels, and interfere with food webs of native species.
- Two species of buckthorn, both native to Europe, can invade wetlands, meadows, and moist woodlands. These species include glossy buckthorn and common or European buckthorn. Buckthorn control is labor intensive and usually requires mechanical removal and chemical control.

Wildlife Management

Although the presence of wildlife in the community provides viewing and educational opportunities, it also creates conflict. The urbanization of land within the Metropolitan area has reduced the amount of land available for wildlife habitat. Some species have adapted to these urban conditions or have population levels that can not be supported by available habitat. Issues include the management of goose and deer populations.

Goose Management. Canada geese populations on the Mississippi River Flyway have been declining. At the same time, populations of resident (year-round) Canada geese in the Upper Midwest have been growing. These resident geese are lured by the availability of their preferred habitat (short grass near water) created by suburban development. Feeding of geese exacerbates the problem. Geese droppings from resident Canada geese create a nuisance for property owners and have a negative impact on water quality. Wildlife biologists are also concerned that declining Flyway populations could signal an eventual end to the migration of Canada geese.

Deer Management. The white-tailed deer population in the Twin Cities has been steadily increasing for the last 20 years. There are a number of municipalities that have populations above acceptable densities and have instituted deer management plans. The City of Shoreview has not had a deer problem to date, but deer removal programs have been initiated at the Twin Cities Army Ammunition Plant (TCAAP) in Arden Hills, in the City of North Oaks, and in Regional Parks. These programs have helped reduce Shoreview's deer herd.

Air Quality

Air Quality is affected by three sources of pollution: mobile sources (vehicles), area sources (gas stations, dry cleaners) and stationary sources (factories, power plants). Weather conditions and topography can also impact air quality, specifically when pollutants are trapped or move from one area to another. Addressing air quality is complex, however, local governments influence air

quality through land use and transportation planning. Local government efforts to improve air quality are, therefore, based on land use and transportation decisions that limit congestion, reduce vehicle miles traveled, and provide options to automobile use. For example, higher residential densities are required to support transit service. Trails and carpooling are alternatives to automobile use that can be promoted through appropriate public infrastructure. See Chapter 4, Land Use, and Chapter 5, Transportation, for additional discussion of land use and transportation issues.

Mobile sources of air pollution, such as vehicle emissions, impact air quality and potentially impact the health of the community. Motor vehicle emissions are partially responsible for increasing levels of nitrogen oxides and increased cancer risk due to inhaling toxic pollutants. This creates health concerns for those residents living near major roadways.

In addition to mobile sources of air pollution, pollution from stationary sources and area sources can be of concern. Area sources are difficult to monitor because the emissions per facility is small but when considered collectively can be of concern. These sources are not only found with commercial or industrial land uses but are present with residential land uses. Examples include outdoor burning, fireplaces and lawnmowers. Pollutants released from stationary and area sources include sulfur dioxide, nitrogen dioxides, carbon monoxide, benzene, mercury, and dioxin.

Wood burning furnaces are not subject to any City regulations, except for the applicable provisions of the Building Code that apply to the installation of these devices. Recreational fires are generally permitted when the fire is less than three-feet in diameter.

Air quality issues with direct health effects include ozone, which is not emitted as a stationary or mobile source. Ozone created by a chemical reaction through the mixing of hydrocarbons and nitrogen oxides and tends to be present on days that are sunny, hot and have calm winds. Ozone is a concern for children, persons with preexisting lung diseases and those working or exercising outdoors.

Goals, Policies, and Recommended Actions

The following goals, policies and actions overlap those contained in other sections of the Plan, including Surface Water, Transportation, Parks, and Land Use.

Goals

1. Manage the City's natural resources so that environmental quality is maintained and enhanced for future generations.
2. Maintain or improve the quality of the water, wetlands, urban forest, and other natural features within the City.

3. Provide for development and redevelopment in a manner that protects the City's natural resources and environment.
4. Reduce air pollution and ensure that land use activities maintain air quality standards.

Policies

- A. Protect wetlands by encouraging landscaping buffers of native, undisturbed vegetation. Consider adoption of regulations for wetland buffers, taking into consideration the wetland classification and purpose, as well as the development potential of the adjacent land areas. Any regulations should address buffer disturbance and mitigation requirements.
- B. Promote native vegetation in the shore impact zone as a means to protect water quality, enhance habitat, and discourage geese nuisances.
- C. Continue to regulate floodplain development in accordance with state requirements and to protect life and property.
- D. Minimize impervious surface coverage where practical and relevant.
- E. Support county, state, and federal efforts to preserve rare plant and animal species and unique natural communities.
- F. Preserve remaining mature trees in the community to the extent possible and ensure appropriate replacement trees are planted where trees are removed.
- G. Consider the impacts on air quality and recognize it's connection to land use and transportation planning.

Recommended Actions

1. Identify methods to promote environmental education within area schools, such as partnerships with educational institutions or non-profit organizations.
2. Continue to support efforts by the Minnesota DNR and the University Extension to control invasive species.

Water Quality

3. Consider revising the City's zoning ordinance to require structure and parking area setbacks from wetlands.
4. Consider revising the City's shoreland management ordinance to recommend and create incentives for natural landscaping in the shore impact zone.

5. Increase education efforts about the wetland benefits, wetland vegetation buffers, and the long-term impacts of illegal dumping, impacts of residential development on surface water quality, outdoor burning and impact on air quality, in City mailings, newsletter, and other public information outlets.
6. Consider amending the City's zoning ordinance to link allowable impervious surface coverage to storm water management improvements. Investigate alternatives to paving for peak-use parking areas in parks and open spaces. Continue to enforce existing City regulations limiting impervious surface coverage.
7. Continue the City's operation and maintenance activities, such as street sweeping, grit chamber and pond maintenance, which protect water quality.
8. Consider adopting regulations that encourage the use of pervious pavements and hard surfaces that percolate stormwater.

Vegetation

9. Consider developing a long-term plan to replant trees throughout the City, taking care to maintain the age diversity of the urban forest.
10. Consider completing a tree inventory for areas under City management, including streets, parks, and open space, and incorporating this information in the City's Geographic Information System (GIS).

Wildlife Management

11. Continue the City's participation in the goose capture program as resident geese populations warrant.
12. Consider amending the City's landscape ordinance to require or encourage plantings of native species in new development or redevelopment areas.
13. Consider native vegetation demonstration projects on City or County property.

Air Quality

14. Consider local air quality impacts in actions such as making land use decisions and granting permits to businesses.
15. The City will consider acquiring low-emission vehicles and equipment, and installing retrofitting devices on existing vehicles or equipment, as part of its fleet program.

16. Development projects should incorporate buffers, landscaping, erosion control and other design tools to decrease the effects of emissions, dust, dirt and other air contaminants.
17. Reduce motor vehicle trips and vehicle miles traveled through land use planning and transportation planning.

Section 9D Surface Water Management

PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE

Introduction

Physical Environment

As Shoreview's name implies, the City has a variety of lakes, wetlands and waterways that provide aesthetic, environmental and recreational value to the community. The City has an area of 8,100 acres (12.7 square miles) of land of which approximately 2,400 acres are a combination of surface water and Type 3 to 7 wetland features. Portions of three major watersheds exist within the City (**Map 9D-1**) managed by two watershed management organizations (WMO): Rice Creek Watershed District and Ramsey Washington Metropolitan Watershed District. The ~~three two Watershed Management Organizations~~ (WMOs) include the Grass Lake Watershed encompassing approximately 3,100 acres, the Rice Creek watershed encompassing approximately 4,650 acres and the Vadnais Lake Watershed encompassing approximately 350 acres.

In addition to jurisdiction by the WMOs, a number of lakes, wetlands and creeks are included on the State of Minnesota Inventory of Protected Waters, and so are under the jurisdiction of the Minnesota Department of Natural Resources (**Map 9D-2**). Of the eight lakes in Shoreview, five have public boat access facilities operated by Ramsey County Parks and the water quality in these five lakes supports full body contact recreational uses (**Map 10-1**).

The City is now almost fully developed and will rely on infill and redevelopment to meet the changing needs of residents. Overall, the low-density residential development pattern will remain with some areas transitioning to higher density residential uses, employment centers, and shopping areas. Other Chapters of this Plan fully discuss the City's goals for land use and economic development that will guide development during the life of this Plan. The City recognizes the many effects land development has on surface waters and the natural environment. As a developed community, the City has a challenging surface water resources environment, with large areas of the City developed prior to establishment of surface water regulations.

The geology, soils, and other physical features that exist in the City are described in other chapters of this Plan, including Land Use (Chapter 4), Natural Resources (Chapter 11), Water Supply (Chapter 9C), and Park and Open Space (Chapter 10). Surface Water Management is interrelated to these other elements of the Plan, and so there is necessarily overlap and repetition with the information presented in those Chapters of the Plan.

Regulatory Environment

The regulatory environment for surface water management includes many Federal, State, and local agencies.

Federal Government

Federal programs and regulations that affect how the City manages surface water include the Clean Water Act (CWA) and National Pollutant Discharge Elimination System (NPDES) Phase II Storm Water Permit Program and Flood Plain Management.

The CWA regulates pollutants in surface water and includes provisions that regulate discharge of material into waters of the United States, including wetlands. The Environmental Protection Agency develops and interprets policy for Section 404 permitting and the Army Corps of Engineers administers the permitting process.

As an amendment to the CWA, the NPDES program requires owners of Municipally Separated Storm Sewer Systems (MS4) to prepare and implement a Storm Water Pollution Prevention Program (SWPPP) and apply for the permit with the Minnesota Pollution Control Agency (MPCA), which administers the Phase II MS4 program in the state.

In 2010, the Federal Emergency Management Agency (FEMA) completed an update to the Flood Insurance Study (FIS) and revised the Flood Insurance Rate Map (FIRM) for Ramsey County, including the City of Shoreview. The City then amended the Flood Plain Management Ordinance to remain in compliance with FEMA requirements, and so residents remain eligible for flood insurance through the National Flood Insurance Program.

State of Minnesota

State agencies responsible for surface water include the Minnesota Board of Water and Soil Resources (BWSR), the MPCA, and Minnesota Department of Natural Resources (MN DNR).

BWSR is the administrative agency for the soil and water conservation districts, watershed districts, metropolitan watershed management organization, and county water managers. The agency works with local government to protect and enhance the State's soil and water resources by implementing the states soil and water conservation policy, comprehensive local watershed management, and the Wetland Conservation Act (WCA). The purpose of the WCA is to maintain and protect Minnesota's wetlands and the benefits they provide. BWSR administers the act and the MN DNR enforces it.

The MN DNR also enforces shoreland management standards for certain lakes and rivers. The Shoreland Management Act regulates all land within 1,000-feet of a lake and 300-feet of a river and its designated floodplain. The City adopted a Shoreland Ordinance in 1992, and the regulations have been amended in 1994, 2000, and 2004. The Ordinance has been approved by the MN DNR.

PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE

Local Government – City of Shoreview and Watershed Management Organizations

PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE

The programs that drive the regulations for management of surface water within the City principally include, but are not limited to, the State's Metropolitan Surface Water Management Program (MSWMP) and Watershed Management Organizations (WMO).

The purpose of the MSWMP is that through policies and thoughtful program implementation, goals for proper water and wetland resource management can be realized and water quality can be protected. Regulations for this program are set forth in Minnesota Statutes 103B.201 to 103B.255, and Minnesota Rule, Chapter 8410. These Statutes and Rules require the preparation of watershed plans by WMOs and the preparation of local water management plans that are consistent with the respective WMO plans.

As noted above, the watersheds in Shoreview-is are located within three two major watershed districts: the Rice Creek Watershed District (RCWD); ~~the Grass Lake Watershed Management Organization (GLWMO), and; the Vadnais Lake Area Watershed Management Organization (VLAWMO) and the Ramsey Washington Metro Watershed District (RWMWD).~~ The watershed districts act as the local unit of government for surface water management and have the authority to adopt rules to regulate, conserve, and control the use of water resources within the district. The City of Shoreview works with the districts and the City's current Surface Water Management Plan (SWMP) was reviewed and approved by GLWMO and the RCWD. ~~VLAWMO does not have jurisdictional authority within the City but was included in the planning and review process of the SWMP. RWMWD was designated as a watershed authority in Shoreview after another watershed management organization (Grass Lake) dissolved.~~

The City complies with the agencies, programs, and various regulations listed above and intends to remain in compliance into the future.

The natural environment remains relatively static in that the City's geology, soils, lakes and wetlands are set in place. The regulatory environment is dynamic, and the City must maintain goals, policies and implementation techniques that reflect the changing regulations for surface waters in the City, and the changing conditions that result from actions that affect surface waters and stormwater runoff.

Surface Water Management Plan

The Second Generation SWMP was adopted in 2005, and establishes a guide for surface water activities throughout the City. The SWMP is intended to remain dynamic by providing new information, ideas, methods, standards, and management practices. An electronic copy is available on the City website.

The City reviews the plan and residents or businesses within the City can request amendments to the plan. The City Council and the WMO's determine whether or not to approve the proposed amendment.

**PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE**

The SWMP includes an inventory of the natural resources found in the community. This information is also included in the Comprehensive Plan, in this Chapter and in Natural Resources – Chapter 11.

- National Wetland Inventory (NWI) wetlands (Map 9D-3)
- Wetland Classification (Map 9D-4)
- Watershed sub-basins (Map 9D-5)

The SWMP established nine main goals each with corresponding policies and implementation actions. The nine goals are intended to address the following aspects of surface waters:

1. Water Quality
2. Water Quantity (Flooding)
3. Wetlands
4. Erosion Control
5. Groundwater
6. Recreation, Habitat, and Shoreline Management
7. Public Participation, Information, and Education
8. Maintenance and Inspection
9. Regulatory Responsibility

Comment [C B1]: I presume this only pertains to the preservation of existing wetlands as defined by the US Corps of Engineers delineation manuals. Should we consider expanding the scope to include or enable the restoration of previous wetlands or creation of new wetlands by way of "wetland banks". These are usually privately owned and operated, created in perpetuity by Deed Restrictions / Covenants and managed by the US Corps of Engineers. How does the City now address wetland banks?

Action-Implementation Plans were developed for each of the nine goals and each water body category in Shoreview. The Action Plans identify current or potential problems related to achieving the stated goals and recommended approaches and/or solutions for addressing the problems. The Action-Implementation Plan may include specific activity steps, reference to the applicable NPDES Permit Best Management Practice (BMP), available resources, and the means of measuring the completion of the activity step and a target date for completion.

Wetland banking falls under the jurisdiction of the local watershed districts (Rice Creek and Ramsey Washington Metro Watershed) with the program managed by the State Board of Water and Soil Resources. It is a tool that can be used in the City and is identified in the Surface Water Management Plan.

Concurrent with the development of the SWMP, the City collected and analyzed the information necessary to update the Flood Insurance Rate Map (FIRM), and submitted a Letter of Map Revision (LOMR) to the Federal Emergency Management Agency. The LOMR was accepted by FEMA in March 2005 (Map 9D-7).

National Pollutant Discharge Elimination System / Storm Water Pollution Prevention Program

The NPDES Phase II storm water permit program in urban areas is designed to further reduce adverse impacts to water quality and puts controls on runoff that have the greatest likelihood of causing continued environmental degradation.

The regulatory program in Minnesota covers three aspects of storm water runoff: Industrial Sites, Municipally Separated Storm Sewer Systems (MS4), and construction sites. The City of Shoreview qualifies as an MS4 and is responsible for storm water that discharges to waters of the state coming from within the jurisdiction of the City and conveyance systems owned by the City such as storm drains, ditches, and storm water ponds. The City was required to apply for an NPDES permit and develop a SWPPP to address stormwater discharges.

**PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE**

The City submitted the initial NPDES permit application and SWPPP in 2003 and subsequent annual reports summarizing the status of compliance with permit conditions. A revised NPDES permit application and SWPPP was submitted in 2006. An electronic copy is available on the City website.

The SWPPP addresses six minimum control measures required as part of the NPDES permit process. To address each of the minimum control measures the SWPPP provides a description of each Best Management Practice (BMP), an implementation, measurable goals that determine the success or benefit, and the person responsible for its completion. The minimum control measures are listed below:

1. Public Education and Outreach
2. Public Involvement and Participation
3. Illicit Discharge Detection and Elimination
4. Construction Site Storm Water Controls
5. Post Construction Storm Water Management for New Development and Redevelopment
6. Pollution Prevention/Good Housekeeping for Municipal Operations

Comment [CB2]: Regarding the type of measures and structures; is this where we do or should indicate our design preferences and guidance? Are the specific types of structures or measures used at the discretion of the applicant and subject to City approval? I presume we want to encourage infiltration, and use catch basins instead of NURP / stormwater detention ponds. Do City Ordinances now provide City staff with sufficient authority to direct the type of water handling measures and stormwater structures?

Surface Water Utility Fee

The City has adopted a surface water utility fee to fund repair and replacement of existing conveyance systems and provide a funding source for implementation of goals listed in the SWMP and BMPs listed in the SWPPP. Estimated operating costs, capital costs, and debt payments for insuring the integrity of the system are included in the City's Comprehensive Infrastructure Replacement Plan and Policy, with a time horizon of 50 years. The City's Capital Improvement Plan (CIP), which has a 5-year time horizon, includes a more detailed description of projects. A copy of the portion of the current CIP showing projects addressing surface waters is attached (*Table 9D-1*).

Staff Response: The Development Code does not address the type of measures or structures. This will be addressed in the City's revision of the SWMP which is expected in 2016 and will occur after the local watershed districts amend their plans.

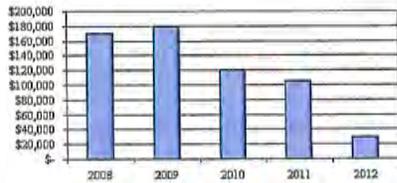
Table 9D-1

The following table is proposed to be deleted and replaced with the Pretreatment Structure table that follows:

Shoreview Comprehensive Plan

Description	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012
Surface Water Improvements:					
Commons park storm pond dredging	100,000	-	-	-	-
Arbogast/Lake Emily pretreatment chamber	70,000	-	-	-	-
Turtle Lane pre-treatment facility	-	80,000	-	-	-
Storm pond dredging	-	100,000	-	105,000	-
Lake Wabasso pre-treatment facility	-	-	120,000	-	-
Update storm lift station controls	-	-	-	-	30,000
TOTAL	\$ 170,000	\$ 180,000	\$ 120,000	\$ 105,000	\$ 30,000

PROPOSED TEXT WITH COMMENTS OF COMMISSIONER PROUD AND STAFF RESPONSE



Pretreatment Structures

Comment [C B3]: I presume many of the pretreatments structures listed and funded per the above deleted table and the below funding are related to previous private developments and public structures. Let's consider we can and should shift the cost to maintain the structures that service private property to the parties that benefit from the structures. In rural Minnesota such a system of benefit received is used to make assessments to the landowners for the costs to establish and maintain Judicial Ditches.

Construction of storm water pretreatment structures (within the road right-of-way) near the current location of storm water pipes that directly discharge run-off into lakes. Based on the City's Surface Water Management Plan, the projects have been identified to eliminate direct discharges and improve the quality of surface water run-off. The following improvements are planned:

- 2015 - East shore of Shoreview Lake, subject to potential redevelopment of the adjacent multi-unit dwellings
- 2018 Install storm water treatment structure for elimination of a direct discharge

PW/

	2013 Estimate	2014 Planned	2015 Planned	2016 Planned	2017 Planned	2018 Planned	2019 Planned
Resources							
Debt-Surface Water Revenue			\$ 120,000			\$ 120,000	
Total Sources of Funds	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ -
Uses							
Storm Sewer			\$ 120,000			\$ 120,000	
Total Uses of Funds	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	\$ -

Staff Response. This addresses public structures that are owned and managed by the City. Improvements are funded through the Stormwater Management Fee.

The major expenditures shown in the current CIP relate to pre-treatment of stormwater that would otherwise directly discharge to high quality natural basins or to improve the pollutant removal capabilities water handling capacities of existing storm ponds. These activities are generally related to improving water quality.

**PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE**

The City's storm water management system is funded with this utility, including storm sewer and storm water ponds (**Map 9D-6**).

Impaired Waters

The City does have five water bodies that appear on the ~~2008~~ **2012** MPCA ~~Final Draft~~ list of impaired waters, and these are listed below:

Comment [C B4]: Does this include the streams and watersheds that feed these lakes? Would this include streams in the City that feed into lakes outside of the City?

- Rice Creek (Aquatic Macroinvertebrate and Fish bioassessments)
- Island Lake (Nutrient/Eutrophication/Biologic indicators)
- Turtle Lake (Mercury in fish tissue)
- Snail Lake (Mercury in fish tissue)
- Lake Owasso (Mercury in fish tissue)

Staff Response:
Yes

Two of these, Snail and Owasso, are included in the Statewide Mercury Total Maximum Daily Load (TMDL) study, which was approved by the United States Environmental Protection Agency in 2007. This study identifies that deposition of mercury from the atmosphere is the principal component of the mercury concentration in game fish. No local point or non-point sources of mercury were identified in Shoreview and no City action is required.

At this time a Total Maximum Daily Load (TMDL) has not been established for the other three impaired waters located within the City. Once MPCA funding is allocated the WMO where the impaired water is located will act as the LGU and initiate the study, and so for each of the three impaired waters within the City, the RCWD will be responsible for the study. The City of Shoreview will work with the RCWD in an advisory role in the development of the study and establishment of the TMDL. After the study is complete and a TMDL has been established the City will review the SWPPP to determine if it is adequate to meet the TMDL's Waste Load Allocations. If the SWPPP is not meeting the applicable requirements, schedules, and objectives of the established TMDL, the SWPPP will be modified as appropriate.

Although TMDL limits have not been established for the impaired waters within Shoreview's boundary the City will review the existing SWPPP to determine if modifications can be made to reduce the impact of our storm water discharge.

Goals, Policies and Recommended Actions

The City will rely on the SWMP as the primary mechanism for managing surface water resources. The SWMP establishes the following Goals.

Goals

1. **Water Quality** - Maintain or improve water quality to meet established standards consistent with the intended use and classification, with special focus on Category I water bodies and impaired waters.
2. **Water Quantity (Flooding)** - Control flooding and protect property while minimizing public expenditures necessary to control volumes and rates of runoff.
3. **Wetlands** - Preserve and improve wetlands acreage, functions and values and achieve no net loss of wetlands in conformance with the Minnesota Wetland Conservation Act and associated rules.
4. **Erosion Control** - Minimize soil erosion and sedimentation.
5. **Groundwater** - Protect the quality and quantity of groundwater resources and promote groundwater recharge.
6. **Recreation, Habitat and Shoreline** - Recreation, habitat and shoreline management. Protect and enhance fisheries and wildlife habitat, surface water recreation and shorelands.
7. **Public Participation, Information and Education** - Public participation, information and education. Provide information and educational resources to improve knowledge and promote an active public role in management of water resources.
8. **Maintenance and Inspection** - Preserve function and performance of public infrastructure through continued implementation of a maintenance and inspection program.
9. **Regulatory Responsibility** - Maintain primary responsibility for managing water resources at the local level but continue coordination and cooperation with other agencies and organizations.

The SWMP identifies policies and implementation plans for each of these goals, and the City is committed to adhere to those policies and plans throughout the life of this Plan. Furthermore, the SWMP is annually reviewed by the City and updated as deemed necessary. Reliance on the SWMP as the principal guiding document for surface waters allows the City flexibility to respond to changing circumstances and opportunities for improving and protecting valuable surface water resources. With that basis, the following policies will guide the City:

Policies

- A. Surface water management shall meet the standards of the Rice Creek Watershed District and the Ramsey Washington Metro Watershed District Grass Lake Watershed Management

PROPOSED TEXT WITH COMMENTS OF

Comment [C B5]: Is "Water Quality" a defined term within this section of the City Ordinances? In the event the City wanted to enforce a matter or take action based upon a water quality standard, is it best if the quality of water is or is not a defined term or based upon an authoritative published standard?

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Comment [C B6]: What are examples of these "established standards"?

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Comment [C B7]: How can we enable higher performance standards when needed? TP-40 will eventually be replaced by Atlas 14, and in most cases should provide better rain fall projections that result in the needed storm water management structures and designs. At a previous workshop we conceptually discussed with City staff regulations or Ordinances that for good cause, would enable engineering staff to require higher stormwater management standards that what resulted by application of the standard formulas. When needed, how can we specify a higher standard?

Comment [C B8]: I presume this only pertains to the preservation of existing wetlands as defined by the US Corps of Engineers delineation manual. Should we consider expanding the scope to include or enable the restoration of previous wetlands or creation of new wetlands by way of "wetland banks". These are usually privately owned and operated; and created in perpetuity by Deed Restrictions / Covenants and managed by the US Corps of Engineers. How does the City now address wetland banks?

Comment [C B9]: I think the obligation for maintenance and inspection of many stormwater systems on private property is the responsibility of the landowner. Consider a policy that requires such landowners to periodically certify the systems have been inspected by an engineer and that recommended maintenance has taken place. (All sites / high risk sites?)

Staff Response: Water quality is defined in the SWMP. Standards are based on the classification or category of the water body or impaired water. The future update of SWMP will address Atlas 14 in relation to the plans adopted by the watershed districts. As indicated earlier, it is possible for the City to have higher standards - further discussion will occur with the SWMP update. When a watershed permit is needed, maintenance agreements are executed. For sites less than 1 acre, the City requires inspection reports. This will be further addressed in the SWMP update.

Organization. The Municipal Code and SWMP shall be reviewed regularly and amended as necessary to remain consistent with the plans and requirements of these agencies.

- B. The City will insure the Shoreland Management Ordinance and Floodplain Management Ordinance remains consistent with the requirements of the Department of Natural Resources.
- C. The City will remain in compliance with MS4 NPDES/SWPPP requirements.
- D. The City will encourage development and redevelopment activity to incorporate regional storm water ponds in their storm water management plans.
- E. The City will require compliance with erosion control regulations for projects disturbing soil within the City, and the use of BMPs on these sites.
- F. The City, along with other agencies, will work to develop education and outreach programs to promote practices that enhance surface waters in the City.
- G. The City will promote and in some cases require infiltration of surface water, for development projects and for individual residential properties and commercial developments.
- H. The City will encourage vegetative buffers around ponds, lakes and wetlands. The width and vegetation type shall reflect the wetland classification and its function. State a standard for lakes?
- I. Groundwater recharge areas around City wells shall be protected.

Similar to policies, the SWMP also details implementation actions, which the City intends to use as the principal policy instrument for managing surface waters. The City expects the following actions will occur:

Recommended Actions

- 1. The City will work to develop and implement a program to detect and eliminate illicit discharges into the storm water system.
- 2. The City will review the Municipal Code requirements that regulate impervious surfaces for opportunities to reduce hard surface on development and redevelopment sites. The City will encourage the use of pervious materials for hard surfaced areas.
- 3. The City will participate in TDML studies and implementation of recommended actions for impaired waters. The City will conduct activities to improve the quality of impaired waters.
- 4. The City will conduct an annual review of the SWMP and SWPPP to insure these are up-to-date, and consistent with WMO, state and federal regulations.

PROPOSED TEXT WITH COMMENTS OF COMMISSIONER PROUD AND STAFF RESPONSE

Staff Response: CB10 and B12 will be addressed in the SWMP update. Recommended actions could then be amended after the adoption of the new plan.

CB11 – Currently addressed in the City’s Wellhead Protection Plan

Comment [CB10]: Infiltration practices in some cases should be mandatory and not an elective mitigation option:
1. Variances of lot coverage or impervious area.
2. Where development is in close proximity to streams or water bodies.

Comment [CB11]: Do we need to protect wellsheads from surface water flooding?

Comment [CB12]:
1.Enable and encourage wetland banks.
2.Cause the periodic inspection and maintenance of stormwater structure on private property.
3.Change other Ordinances to require, when reasonably possible, for infiltration practices to be mandatory mitigation requirements when variances are granted for impervious surface or lot coverage.
4.Enable the City engineers at their discretion to specify grit catch basins and infiltration systems in lieu of NURP / stormwater ponds.

5. The City will continue to monitor private Individual Sewage Treatment Systems within the City and to track required system maintenance based on annual review of records.
6. The City will review the monitoring of private ponds for compliance with maintenance activities.
7. The City anticipates adopting a Wellhead Protection Plan during the life of this Plan (See Chapter 9C – Water Supply).
8. The City will continue to participate in education and outreach programs to promote resident participation in addressing these surface water goals.
9. The City will explore incentives to encourage property owners to implement stormwater BMPs on their property.
10. The City will consider the Goals and Policies for surface water management while conducting maintenance activities and constructing public improvements.
11. The City ~~anticipates that in 2009 regulations for erosion and sediment control will be amended to better reflect City practice~~ will continue to monitor the City's ordinances related to erosion and sediment control for compliance to state and federal regulations and amend as needed.

**PROPOSED TEXT WITH
COMMENTS OF
COMMISSIONER PROUD AND
STAFF RESPONSE**

Comment [C B13]: Do we or should we have a FAQ publication on the various stormwater recommended management practices?

Staff Response: Public education and outreach is required per the SWMP. Examples include the EQC speaker series, City's website, Green Community Awards and Newsletter.

**SHOREVIEW PLANNING COMMISSION
MEETING MINUTES
April 22, 2014**

CALL TO ORDER

Chair Solomonson called the April 22, 2014 Shoreview Planning Commission meeting to order at 7:00 p.m.

ROLL CALL

The following Commissioners were present: Chair Solomonson, Commissioners, Ferrington, McCool, Peterson, Proud, Schumer and Thompson.

APPROVAL OF AGENDA

MOTION: by Commissioner Schumer, seconded by Commissioner Ferrington to approve the April 22, 2014 Planning Commission meeting agenda as submitted.

VOTE: Ayes - 7 Nays - 0

APPROVAL OF MINUTES

MOTION: by Commissioner Thompson, seconded by Commissioner Peterson to approve the March 25, 2013 Planning Commission meeting minutes, as submitted.

VOTE: Ayes - 5 Nays - 0 Abstain - 2 (Proud, Schumer)

REPORT ON CITY COUNCIL ACTIONS:

Presentation by City Planner Kathleen Castle

The City Council approved the following applications forwarded by the Planning Commission:

- Site and Building Plan Review for City and County Credit Union, 1001 Red Fox Road;
- Site and Building Plan Review/Comprehensive Sign Plan for Cities Edge Architects, LLC and Forstrom & Torgerson, LLP, for the Hampton Inn at 1000 Gramsie Road;
- Text Amendment for the Housing Code; and
- St. Odilia Church Final Plat for the proposed cemetery.

NEW BUSINESS

PUBLIC HEARING –COMPREHENSIVE PLAN AMENDMENT – SURFACE WATER MANAGEMENT

FILE NO: 2524-14-14
APPLICANT: City of Shoreview

LOCATION: City Wide

Presentation by City Planner Kathleen Castle

A Comprehensive Plan Amendment is proposed to Chapter 9, *Community Facilities and Services*, Section D, *Surface and Water Management* and also to Chapter 11, *Natural Resources*. The amendments address changes regarding surface water management that have occurred since the plan was adopted in 2008.

Grass Lake Watershed Management Organization was dissolved. Those responsibilities have been taken over by Ramsey/Washington Metro Watershed District (RWMWD) who is the designated local government unit to administer the Wetland Conservation Act for the Vadnais Lake and Grass Lake watershed. References in the Comprehensive Plan have been updated, and maps 9D1 and 9D5 have been amended to reflect this change.

In 2010, the Federal Emergency Management Agency (FEMA) updated flood insurance and revised the flood insurance rate map. The City amended its flood plain ordinance in 2010 to be in compliance. Map 9D7 was updated. Table 9D1 was updated addressing the City's surface water utility fee.

A public hearing notice was published on April 9, 2014. No responses have been received. Staff is recommending the Planning Commission forward for Council approval the changes and updated language regarding surface water management.

Commissioner Ferrington asked for clarification of Map 9D7, whether properties adjacent to lakes shown as dark blue are included in the FEMA map. Mr. Warwick stated that the lakes in dark blue are part of flood zone AE, which is the designation where a base flood elevation has been established. The City has consistently required that homes be built two feet above the flood plain, so that in practically no instance are homes impacted by the updated flood maps. The City reviewed the old (1981) flood map in 2005, and obtained a Letter of Map Revision (LOMR) from FEMA that addressed the relationship between flood areas and development. This LOMR was incorporated into the 2010 maps, and so there was little change to flood hazard areas near residential development.

Commissioner Peterson asked if there are homes that are required to have flood insurance due to the fact that they were allowed to be built at a lower elevation in the past. Mr. Warwick stated that some homes are required to have flood insurance, depending on the policies set by lenders.

Commissioner Proud stated that he has a number of comments and would like a workshop meeting to look at the totality of the Code regarding surface water management, but he would support the proposed motion. Ms. Castle stated that she would prefer to pass only one amendment and would delay passage rather than pass two amendments after further discussion. There are a number of agencies who must sign off on the amendments. This is a public hearing and all comments should be heard.

Commissioner Proud stated that he would be willing to send his comments to staff and leave it to staff to determine if further changes should be made.

City Attorney Kelly stated that the notice of public hearing is in order. With a public hearing, any comment can be taken. Ms. Castle stated that as long as the discussion is specific to surface water management, the public hearing would not have to be re-noticed, if the matter is delayed.

Chair Solomonson opened the public hearing.

Commissioner Ferrington suggested that on page 93D, under Local Government, to insert the year when the GLWMO dissolved and assumption of RWMWD for historical purposes. Secondly, under 9D6, which is a table of planned improvements, the improvements for Lake Wabasso are not included. Ms. Castle stated that the table comes from the Capital Improvements Program. She agreed there has been discussion about improvements for Lake Wabasso, which perhaps needs to be mentioned as a separate paragraph but not included in the table.

Commissioner McCool stated that if more substantive changes are going to be made as a result of Commissioner Proud's comments, he would like the City Engineer present to weigh in.

City Attorney Kelly stated that if the matter is to be tabled, it should be to a date and time specific, for further comment.

MOTION: by Commissioner Proud, seconded by Commissioner McCool to recommend the public hearing be continued to the May 27, 2014 Planning Commission meeting so that Planning Commissioners and staff can consider additional changes.

VOTE: Ayes - 7 Nays - 0

RESIDENTIAL DESIGN REVIEW / VARIANCE

FILE NO: 2523-14-13
APPLICANT: 5101 Alameda Street
LOCATION: Kevin and Sara Ousdigian

Presentation by Senior Planner Rob Warwick

A single-story house with a walk-out level and attached garage is proposed for a recently subdivided lot. A variance is requested to reduce the minimum 114.4 feet setback from the Ordinary High Water (OHW) of Turtle Lake to 101.8 feet.

The property is a substandard riparian lot on Turtle Lake with a width of 79 feet. The lot area is 27,707 square feet. The minor subdivision that created this lot was approved in September 2013, when the variance for the lot width was approved. The variance for the structure setback was tabled and the review period was extended. A second extension for the review period was approved in January 2014, at the applicant's request.

OLD BUSINESS

**PUBLIC HEARING –COMPREHENSIVE PLAN AMENDMENT – SURFACE WATER
MANAGEMENT**

FILE NO: 2524-14-14
APPLICANT: CITY OF SHOREVIEW
LOCATION: CITY WIDE

Presentation by City Planner Kathleen Castle

The Planning Commission reviewed this amendment at its April 22nd meeting and opened the public hearing. The public hearing was continued to this meeting to allow time to respond to the comments received. The amendment is specific to Chapter 9, Community Facilities Services, Section D, Surface Water Management; and Chapter 11, Natural Resources. The amendment addresses changes regarding surface water management that have occurred since 2008.

Chapter 9 references have been updated to acknowledge the dissolution of the Grass Lake Watershed Management Organization. The boundaries of that watershed district are now under the jurisdiction of Ramsey Washington Metro Watershed District (RWMWD). Maps 9D1 and 9D5 have been amended to reflect this change.

In 2010, the Federal Emergency Management Agency (FEMA) updated its Flood Insurance Study and revised the Flood Insurance Rate Map. The City's ordinance was amended in 2010 to be in compliance with FEMA requirements. At this time, Map 9D7 is being updated to reflect those changes.

Table 9D1, regarding the surface water utility fee, has been updated to reflect the most recent Capital Improvement Plan.

Notice for the public hearing was published in the City's legal newspaper on April 9, 2014. No comments have been submitted. Staff has responded to Commissioner Proud's comments. Staff is recommending the amendment be forwarded to the City Council with a recommendation from the Planning Commission for approval.

Chair Solomonson acknowledged the public hearing to be still open and asked three times for further public comment. There were no comments.

MOTION: by Commissioner Schumer, seconded by Commissioner McCool to close the public hearing.

VOTE: Ayes - 7 Nays - 0

Commissioner Proud thanked staff for their response to his comments.

MOTION: by Commissioner Proud, seconded by Commissioner Thompson to recommend the City Council approve the amendments to Chapter 9, Section 9D, Surface Water Management and Chapter 11, Natural Resources related to surface water management, subject to the following condition:

1. Said approval is contingent upon the Metropolitan Council's approval of the Comprehensive Plan Amendment.

VOTE: Ayes - 7 Nays - 0

MISCELLANEOUS

City Council Meetings

Commissioners Proud and Peterson will respectively attend the June 2, 2014 and June 16, 2014 City Council meetings.

Joint Meeting

The Planning Commission will meet jointly with the City Council and Economic Development Authority regarding the Highway Corridor Transition Study on July 14, 2014, at 7:00 p.m.

Workshop

It was noted that the Planning Commission met in a workshop meeting at 6:00 p.m. immediately prior to this regular meeting.

ADJOURNMENT

MOTION: by Commissioner Schumer, seconded by Commissioner Thompson to adjourn the meeting at 9:06 p.m.

VOTE: Ayes - 7 Nays - 0

ATTEST:

Kathleen Castle
City Planner

**PROPOSED MOTION
ABATEMENT OF NUISANCE**

MOTION BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To adopt Resolution No. 14-37, pursuant Section 210.020(A), approving the abatement of vegetative growth for the properties located at:

- 1729 Lois Drive
- 417 Majestic Court
- 348 Lilac Lane
- 1066 Carlton Drive
- 4711 Laura Lane
- 4476 Lexington Avenue North
- 169 Demar Avenue
- 5977 Grotto Street North
- 4324 Snail Lake Boulevard
- 625 Mound Avenue

and to charge the property owners for the cost of the abatement, including administrative costs. The City Manager is authorized to monitor the property throughout the 2015 and 2016 growing seasons and to abate any vegetative growth on the property that does not comply with City regulations.

ROLL CALL:	AYES	NAYS
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting
June 16, 2014

TO: Mayor, City Council and City Manager
FROM: Brent Marshall, Housing & Code Enforcement Officer
DATE: June 16, 2014
SUBJECT: Weed Abatements – 1729 Lois Drive, 417 Majestic Court, 348 Lilac Lane, 1066 Carlton Drive, 4711 Laura Lane, 4476 Lexington Avenue, 169 Demar Avenue, 5977 Grotto Street North, 4324 Snail Lake Boulevard and 625 Mound Avenue

INTRODUCTION

The City Council is being asked to order weed abatements on the properties at 1729 Lois Drive, 417 Majestic Court, 348 Lilac Lane, 1066 Carlton Drive, 4711 Laura Lane, 4476 Lexington Avenue North, 169 Demar Avenue, 5977 Grotto Street North, 4324 Snail Lake Boulevard and 625 Mound Avenue. The Council has the authority to declare and abate nuisances, including noxious weeds, grass and plant growth on private property that does not comply with the City's property maintenance standards.

ORDINANCE REQUIREMENTS

In accordance with Section 211.060, all exterior property areas shall be kept free from species of weeds or plant growth which are noxious or a detriment to public health. Grass plots and lawn areas, including any contiguously abutting street boulevard areas, shall not exceed nine inches in height. Non-woody vegetation on vacant properties shall not exceed eighteen inches in height. Landscaping shall be maintained so as to prevent unsightliness, health hazards or unsafe conditions.

In addition, Section 210.020, Abatement Procedure, outlines the notification and hearing process. When the City staff determines a public nuisance is being maintained or exists on a property, the staff shall notify in writing the owner of record or occupant of the nuisance and order the nuisance to be terminated and abated. This notice shall specify the timeframe in which the nuisance must be abated.

Weed abatement notices are posted on the property and also sent via mail to the property owner of record. The notice specifies that the nuisance weeds and grass must be mowed within five (5) working days, and if that nuisance is not abated, the City Council will hold a hearing to order the abatement of the nuisance. The notice also identifies the time and date of the hearing scheduled before the City Council. The property owner has the right to appear at the hearing. If the Council orders the abatement, the City will abate the nuisance and the cost of the abatement, including administrative costs, will be charged to the property owner and certified against the property for collection with taxes if the bill is not paid.

PROPERTY CONDITIONS

Staff identified tall grasses, nuisance weeds and other vegetative growth in excess of nine inches in height upon inspection of the properties. A copy of the notice was posted on the properties and mailed to the property owners. Staff also sent the Correction Notice via email to any contacts available if it was a Rental Property or a Foreclosed home.

The property owners were given notice to abate the nuisance growth of tall grasses, weeds and other vegetation. The notice specifies the pertinent City regulations, the conditions constituting a violation of those regulations, and identifies that the Council will hold a hearing on June 16, 2014 to consider abatement of the nuisance conditions, with costs charged to the property owner. The property owners were advised of their right to appear at this hearing. A copy of the notice and photographs of the property are attached. While some of the property owners have brought the properties into compliance, staff is recommending the Council authorize the abatement even if the weeds/tall grass violation is remedied. 1729 Lois Drive, 4711 Laura Lane, 5977 Grotto Street North and 4324 Snail Lake Boulevard are foreclosures. 1066 Carlton Drive and 4476 Lexington Ave. North are rental properties with a history of violations. Authorization will enable the City to abate the nuisance conditions if they occur in the future. 169 Demar Avenue has a history of tall grass/weeds violations and 417 Majestic Court, 348 Lilac Lane and 625 Mound Avenue have not yet been brought into compliance yet and appear vacant.

RECOMMENDATION

Staff recommends that the City Council conduct the required hearing and adopt Resolution No. 14-37 approving the abatement of the vegetative growth nuisance at the property. This will allow the City to monitor the property throughout the remainder of the year as well as 2014 and 2015. Staff will continue to work with the property owners to resolve any other property maintenance violations that are present and will issue a citation if compliance is not reached.

The Resolution also authorizes the City to monitor the properties throughout the 2014 and 2015 growing seasons and to abate any vegetative growth on the property that does not comply with City Regulations.

Attachments:

- 1) Motion
- 2) Resolution 14-37
- 3) Location Map
- 4) Photos
- 5) Notice to property owner(s)

T:\ccreport/06-16-14/Weed Abatement.doc

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD JUNE 16, 2014**

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City at 7:00 PM.

The following members were present:

And the following members were absent:

Member _____ introduced the following resolution and moved its adoption.

**RESOLUTION NO. 14-37
ABATEMENT OF A NUISANCE-VEGETATIVE GROWTH**

**1729 LOIS DRIVE
417 MAJESTIC COURT
348 LILAC LANE
1066 CARLTON DRIVE
4711 LAURA LANE
4476 LEXINGTON AVENUE NORTH
169 DEMAR AVENUE
5977 GROTTO STREET NORTH
4324 SNAIL LAKE BOULEVARD
325 MOUND AVENUE**

WHEREAS, the following individuals are the registered property owners of the following described properties:

JP Morgan Chase Bank
Lot 22, Block 1, Edgetown Acres
Ramsey County, Minnesota
(1729 Lois Drive)

Edward & Lisa Woo
Lot 3, Block 3 Whispering Pines
Ramsey County, Minnesota
(417 Majestic Court)

Joshua C Soderbeck
Lot 9, Block 3 Windward Heights
Ramsey County, Minnesota
(348 Lilac Lane)

1066 Carlton LLC (Andrew D Hybben)
*Lot 1, Block 9 Sunset Park
Ramsey County, Minnesota
(1066 Carlton Drive)*

Wa Xeng Thao & Chue Yang Thao
*Lot 8, Block 2 Tanglewood 3rd Addition
Ramsey County, Minnesota
(4711 Laura Lane)*

Michael J & Jean M Marrone
*Lot 2, Section 23, Town 30, Range 23
Ramsey County, Minnesota
(4476 Lexington Avenue North)*

Cory J Lacount
*Lot 4, Block 7 Windward Heights No. 3
Ramsey County, Minnesota
(169 Demar Avenue)*

John L Simpson & Nancy A Sullivan
*Lot 11, Block 1 Pheasant Ridge
Ramsey County, Minnesota
(5977 Grotto Street North)*

Laura L & James P Burns
*Lot 49 in J.F. Eisenmenger's Lake Villas'
Ramsey County, Minnesota
(4324 Snail Lake Boulevard)*

Prasanna K P Pavani & Subba L Pavani
*Lot 17, Block 5 Tanglewood 2nd Addition
Ramsey County, Minnesota
(625 Mound Avenue)*

WHEREAS, notice therefore was posted on said property and sent by mail to the property owner(s) pursuant to City Regulations, and

WHEREAS, this abatement was initiated pursuant to the City of Shoreview Municipal Code, and

WHEREAS, the Shoreview City Council held a hearing on June 16, 2014 and all persons present at said meeting were given an opportunity to be heard and present written statements. The Council also considered the recommendation of the City Staff that this abatement be approved, and

NOW, THEREFORE, BE IT RESOLVED THAT THE SHOREVIEW CITY COUNCIL hereby adopts Resolution 14-37 to abate vegetative growth at the properties located at:

**1729 LOIS DRIVE
417 MAJESTIC COURT
348 LILAC LANE
1066 CARLTON DRIVE
4711 LAURA LANE
4476 LEXINGTON AVENUE
169 DEMAR AVENUE
5977 GROTTO STREET NORTH
4324 SNAIL LAKE BOULEVARD
325 MOUND AVENUE**

and to charge the property owner(s) abatement costs, including administrative costs. The City Manager is authorized to monitor the property throughout the 2014 and 2015 growing seasons and to abate any vegetative growth on the property that does not comply with City Regulations.

The motion was duly seconded by Member _____ and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Adopted this 16th day of June 2014.

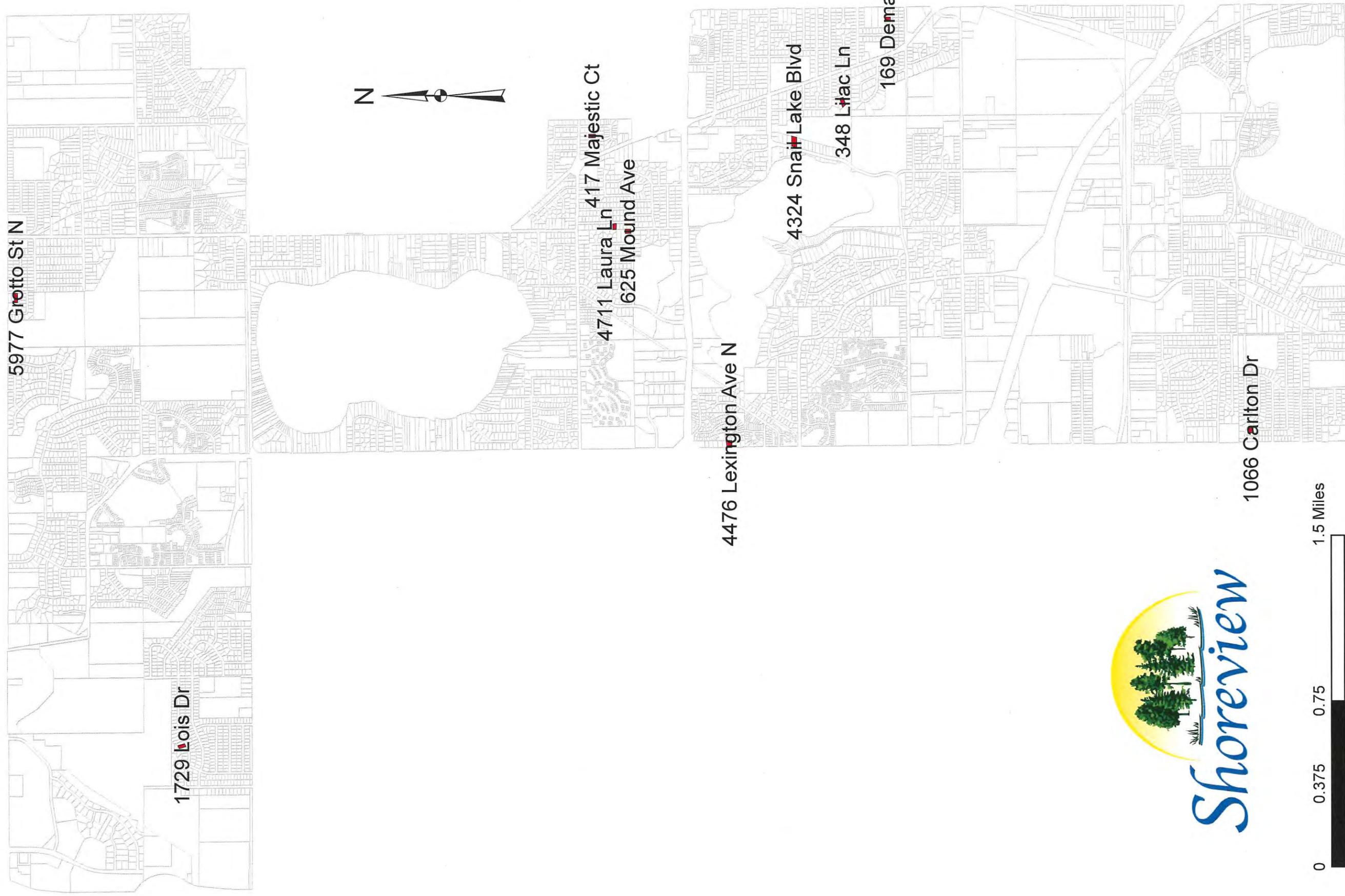
Sandra C. Martin, Mayor

ATTEST:

Terry Schwerm, City Manager

SEAL

Weed Abatements 6/16/2014



1729 Lois Drive





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: City of Shoreview Municipal Code Section 211.060 (C)
Grass plots or lawn areas that are greater than 9 inches

DATE: 5/30/14

TO: JP Morgan Chase
3415 Vision Dr.
Columbus, OH 43219-6009

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
 Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 1729 Lois Dr.

CASE NUMBER: CC1014-060

COMPLIANCE/REINSPECTION DATE: 6/6/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 1729 Lois Dr.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/6/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

1-800-857-8306
#2158

417 Majestic Court





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/6/14

TO: Edward Wood/Lisa Wood
417 Majestic Ct.
Shoreview, MN 55126

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
x Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 417 Majestic Ct.

CASE NUMBER: CC1014-071

COMPLIANCE/REINSPECTION DATE: 6/12/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 417 Majestic Ct.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/12/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

348 Lilac Lane





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/6/14

TO: Joshua C. Soderbeck
348 Lilac Lane
Shoreview, MN 55126

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
 Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 348 Lilac Lane
CASE NUMBER: CC2014-070
COMPLIANCE/REINSPECTION DATE: 6/12/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 348 Lilac Lane. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/12/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

1066 Carlton Drive





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: City of Shoreview Municipal Code Section 211.060 (C)
Grass plots or lawn areas that are greater than 9 inches

DATE: 5/28/14

TO: 1066 Carlton LLC (Andrew D. Hybben)
3363 Oasis Ave. N
Stillwater, MN 55082

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
 Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 1066 Carlton Dr.

CASE NUMBER: 2014-055

COMPLIANCE/REINSPECTION DATE: 6/4/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 1066 Carlton Dr.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/4/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

4711 Laura Lane





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 5/29/14

TO: Wa Xeng Thao / Chue Yang Thao
4711 Laura Lane
Shoreview, MN 55126-6032

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:

- Sara Bargander, 651-490-4687
- Robert Warwick, 651-490-4681
- Kathleen Nordine, 651-490-4682
- Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 4711 Laura Lane

CASE NUMBER: CC2014-061

COMPLIANCE/REINSPECTION DATE: _____

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 4711 Laura Lane. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/5/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

4476 Lexington Avenue North





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 5/28/14

TO: Michael + Jean Marrone
5045 Brighton Lane
Mounds View, MN 55112

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:

- Sara Bargander, 651-490-4687
- Robert Warwick, 651-490-4681
- Kathleen Nordine, 651-490-4682
- Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: 4476 Lexington Ave. N

CASE NUMBER: CC2014-056

COMPLIANCE/REINSPECTION DATE: 6/4/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 4476 Lexington Ave. N. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/4/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

169 Demar Avenue





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/3/14

TO: Cory J. Lacount
169 Demar Ave.
Shoreview, MN 55126

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
 Brent Marshall 651-490-4687

* Includes all tall grass/weeds along fence lines, around foundation of home and within landscaping features *

PROPERTY ADDRESS OF OFFENSE: 169 Demar Ave.

CASE NUMBER: CCO 114-067

COMPLIANCE/REINSPECTION DATE: 6/9/14

* City is considering issuing a citation requiring a mandatory court appearance due to ongoing violations for tall grass/weeds *

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 169 Demar Ave.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/9/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

5977 Grotto Street North





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/9/14

TO: John L./Nancy A. Sullivan
5977 Crofto St. N
Shoreview, MN 55126

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:

- Sara Bargander, 651-490-4687
- Robert Warwick, 651-490-4681
- Kathleen Nordine, 651-490-4682
- Brent Marshall 651-490-4687

** Includes all tall grass/weeds along fence lines, within landscaping features and around foundation of home **

PROPERTY ADDRESS OF OFFENSE: 5977 Crofto St. N

CASE NUMBER: CC 2014-082

COMPLIANCE/REINSPECTION DATE: 6/13/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 5977 Crofto St. N. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/13/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

4324 Snail Lake Boulevard





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/9/14

TO: Laura L. + James P. Burns
4324 Snail Lake Rd.
Shoreview, MN 55126

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM:
 Sara Bargander, 651-490-4687
 Robert Warwick, 651-490-4681
 Kathleen Nordine, 651-490-4682
 Brent Marshall 651-490-4687

PROPERTY ADDRESS OF OFFENSE: ~~XXXXX~~ 4324 Snail Lake Rd.

CASE NUMBER: CE2014-081

COMPLIANCE/REINSPECTION DATE: 6/13/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 4324 Snail Lake Rd.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/13/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

625 Mound Avenue





City of Shoreview

4600 Victoria St. N. Shoreview, MN 55126

CORRECTION NOTICE

RE: **City of Shoreview Municipal Code Section 211.060 (C)**
Grass plots or lawn areas that are greater than 9 inches

DATE: 6/10/14

TO: Prasanna K P Pavani
Subba L Pavani
625 Mound Ave.

An inspection was conducted at your property that revealed a violation of the City of Shoreview Municipal Code, Section 211.060(C), which specifies that grass plots and lawn area shall not exceed 9 inches in height and be free of nuisance weeds.

FROM: Shoreview, MN 55126-6029

- Sara Bargander, 651-490-4687
- Robert Warwick, 651-490-4681
- Kathleen Nordine, 651-490-4682
- Brent Marshall 651-490-4687

- you need to be cutting grass/weeds on your entire property (see enclosed photo)
- Includes all tall grass/weeds around the foundation of the house, along any fence lines and within landscaping features

PROPERTY ADDRESS OF OFFENSE: 625 Mound Ave.

CASE NUMBER: CC1014-087

COMPLIANCE/REINSPECTION DATE: 6/16/14

Please be advised per the Municipal Code Section 210, the City has the authority to abate certain nuisances. City Staff follow the abatement procedure described below for abating accumulations of tall grasses, nuisance weeds and other vegetative growth as regulated in Section 211.060(C).

Ramsey County records identify you as the property owner of 625 Mound Ave.. This notice serves as notice that nuisance conditions exist on the property and that the **nuisance must be abated within five (5) working days**. Please correct non-compliant conditions by 6/16/14. The property will be re-inspected on or after the compliance date to verify that the nuisance conditions have been corrected or else abatement action will proceed. You may also call City Staff at 651-490-4687 to inform them that the nuisance condition has been corrected.

If the nuisance conditions are not corrected by the above date, be advised that pursuant to the Shoreview Municipal Code and Minnesota State Law, the City Council will hold a hearing on 6/16/14 at 7:00 p.m. at the Shoreview City Hall, 4600 Victoria Street North, Shoreview Minnesota. The purpose of the hearing will be for the Shoreview City Council to consider ordering the abatement of the public nuisance. The abatement costs, including administrative costs, will be charged to you and if the bill is not paid, it will be certified against the property for collection with taxes. You have the right to appear at said hearing. Please be advised, if the property is brought into compliance prior to the hearing a date, a hearing may still be held.

Excerpts from the Municipal Code are attached and identify the regulations applying to the conditions observed on your property. Please correct these conditions, thereby bringing the property into compliance with City regulations.

Thank you in advance for your anticipated cooperation.

* Please remove and dispose of the piles of leaves being stored at the base of the retaining wall in the front yard (Refuse).

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To approve Resolution No. 14-36 adopting a Preliminary Assessment that the Comcast of Minnesota, Inc. Cable Franchise should not be renewed.

ROLL CALL:	AYES _____	NAYS _____
Johnson	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting
June 16, 2014

TO: MAYOR AND COUNCILMEMBERS

**FROM: TERRY SCHWERM
CITY MANAGER**

DATE: JUNE 11, 2014

**SUBJECT: CONSIDERATION OF RESOLUTION NO. 14-36 ADOPTING A PRELIMINARY
ASSESSMENT THAT THE COMCAST OF MINNESOTA, INC. CABLE FRANCHISE
SHOULD NOT BE RENEWED**

INTRODUCTION

The City of Shoreview, along with nine other communities that are part of the North Suburban Communications Commission (NSCC), is currently involved in the cable franchise renewal process with Comcast of Minnesota. The City Council is being asked to consider approval of Resolution No. 14-36 adopting a preliminary assessment that the Comcast of Minnesota cable franchise should not be renewed. An alternate motion is included in the packet that would renew the franchise agreement with Comcast in accordance with their formal proposal.

BACKGROUND

The City has been a part of the NSCC (formerly the North Suburban Cable Commission) since its inception in 1982. The NSCC is a joint powers organization of ten cities whose purpose is to monitor the operations and activities of the cable system; provide coordination and administration of the franchise; and administer and develop community cable television programming. The development and coordination of community television programming is done through the NSCC's sister organization – the North Suburban Access Corporation (NSAC).

The franchise renewal process is governed by federal law and has been going on for a few years. Some of the elements of the process included a technical review of Comcast's performance as well as the development of a needs assessment. These reviews were completed prior to beginning any type of serious negotiations with Comcast. The NSCC and Comcast began negotiations in an informal renewal process, which involves direct negotiation between the two groups. However, due to significant differences in positions and a general lack of progress during the early informal negotiations, the NSCC voted to move into a formal process which included the submission of formal proposals by both parties. Attached to this report are reports from both the NSCC and from Comcast regarding the franchise renewal process and the formal proposals.

The formal process includes established timelines for different steps in the process. Based on these timelines, the City currently has to either accept Comcast's formal franchise proposal or preliminarily deny the proposal before June 20, 2014. The NSCC has recommended that cities preliminarily deny the proposal based on an NSCC staff report that summarizes ways that Comcast's proposal does not adequately address the needs, interests, and concerns that the NSCC has identified. If the proposal is preliminarily denied, the next step in the process is an administrative hearing. The results of the hearing can be appealed to either State or Federal court. Comcast has encouraged the member cities to accept the formal proposal. Randall Tietjen, an attorney representing Comcast, has prepared the attached 21 page memo outlining why Comcast believes the City should adopt the formal proposal. Failure to act on this resolution prior to June 20, 2014 would be considered an acceptance of Comcast's formal proposal.

FRANCHISE RENEWAL ISSUES

During this formal process, informal negotiations have continued sporadically. While there has been some recent progress during these negotiations, there are still significant differences between the two sides.

The three major issues that have been the primary focus of the negotiations include:

1. PEG Funding – due to a Federal Communications Commission (FCC) ruling, Comcast no longer is required to provide operational support for public access as part of a franchise renewal. They only are required to provide reasonable capital support for public, education and government access. Operational support for PEG programming is more typically provided by contributions of franchise fees by cities. However, the public access model at the NSAC is that significant operational support is provided through the PEG fee which has allowed our cities to have a significant public access programming presence. The level of PEG support has been the most significant issue between the two parties.
2. Number of PEG Channels – Comcast currently dedicates eight channels to our cities for public education and government access. Comcast's formal proposal has offered the use of four channels, three in standard definition and one in high definition, with an opportunity to add a fifth channel based on usage of the remaining four.
3. Institutional Network – the franchise holder has constructed an institutional network (I-net) that connects all of the cities in the franchise. The I-net provides for dedicated use of a small part of Comcast's network by the 10 cities. This network is used to transmit government programs to the NSAC for broadcast as well as to transmit data. Roseville provides IT services to several cities both inside and outside the franchise area in part through the use of the I-net. Again, federal regulations do not require Comcast to provide free use of this network beyond PEG access use.

The ultimate decision on whether the formal proposal addresses the needs, interests, and concerns of the City are policy decisions that need to be made by the City Councils of each of the member cities. However, the formal proposal submitted by Comcast includes a complete franchise ordinance that staff believes is not in the best interest of the City. There are some provisions of the current franchise agreement language that provides protection to the City and the consumer that are not included in the draft franchise agreement included in Comcast's formal proposal. Therefore, staff believes the City Council should preliminarily deny the franchise to allow adequate time to draft a franchise that is in the City's best interest.

At its June 2, 2014 meeting, the City Council considered adopting a motion to send a letter to the NSCC to indicate its intent to withdraw from the Commission at the end of December. This action would have effectively left Shoreview on its own to directly negotiate a renewal of the cable franchise with Comcast. After meeting with the Mayors and City Managers and Administrators of the nine other cities in the NSCC, Mayor Martin encouraged the Council to delay consideration of this motion. The Council tabled consideration of the motion to its August 18th meeting to allow the cities to review the current NSCC governance model outlined in the Joint Powers Agreement and provide additional time for informal negotiations between Comcast and the NSCC.

RECOMMENDATION

Based on the foregoing information, it is recommended that the City Council approve Resolution No. 14-36 adopting a Preliminary Assessment that the Comcast of Minnesota, Inc. Cable Franchise should not be renewed.

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD JUNE 16, 2014**

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on June 16, 2014, at 7:00 p.m.

The following members were present:

And the following members were absent:

Member _____ introduced the following resolution and moved its adoption.

RESOLUTION NO. 14-36

**PRELIMINARY ASSESSMENT THAT THE COMCAST
OF MINNESOTA, INC. CABLE FRANCHISE SHOULD NOT BE RENEWED**

WHEREAS, Shoreview is a member City of the North Suburban Cable Commission, d/b/a The North Suburban Communications Commission (the "Commission"), a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the "Member Cities"); and

WHEREAS, a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59 has the statutory authority to "jointly or cooperatively exercise any power common to the contracting parties i.e., the Member Cities;" and

WHEREAS, the Commission was established by the Amended North Suburban Cable Commission Joint and Cooperative Agreement for the Administration of a Cable Communications System, dated June 1990 (the "Joint Powers Agreement"), to monitor Comcast's performance, activities and operations under the Franchises and to coordinate, administer and enforce the Member Cities' Franchises, among other things; and

WHEREAS, the North Suburban Communications Commission acts on behalf of its Member Cities, including the City, to monitor the operation and activities of cable communications and to provide coordination of administration and enforcement of the franchises of the Member Cities; and

WHEREAS, the City enacted an ordinance and entered into an agreement authorizing MediaOne North Central Communications Corp. to provide cable service (the "Franchise"); and

WHEREAS, as a result of several transfers of the Franchise, Comcast of Minnesota, Inc., (“Comcast”) currently holds the Franchise in the City; and

WHEREAS, Section 626(a)(l) of the Cable Communications Policy Act of 1984, as amended (the “Cable Act”), 47 U.S.C. § 546(a)(1), provides that if a written renewal request is submitted by a cable operator during the 6-month period which begins with the 36th month before franchise expiration and ends with the 30th month prior to franchise expiration, a franchising authority shall, within six months of the request, commence formal proceedings to identify the future cable-related community needs and interests and to review the performance of the cable operator under its franchise during the then current franchise term; and

WHEREAS, by letters dated October 11, 2010, and November 23, 2010, from Comcast to each of the Member Cities, including the City, Comcast invoked the formal renewal procedures set forth in Section 626 of the Cable Act, 47 U.S.C. § 546; and

WHEREAS, the City and the other Member Cities informed the Commission, by resolution, that they want the Commission and/or its designee(s) to commence, manage and conduct the formal renewal process specified in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), on their behalf; and

WHEREAS, the City has affirmed, by resolution, the Commission’s preexisting authority under the Joint Powers Agreement to take any and all steps required or desired to comply with the Franchise renewal and related requirements of the Cable Act, Minnesota law and the Franchises; and

WHEREAS, the Joint Powers Agreement empowers the Commission and/or its designee(s) to conduct the Section 626 formal franchise renewal process on behalf of the City and to take such other steps and actions as are needed or required to carry out the formal franchise renewal process; and

WHEREAS, the Commission adopted Resolution No. 2011-02 commencing formal franchise renewal proceedings under Section 626(a) of the Cable Act, 47 U.S.C. § 546(a), and authorizing the Commission or its designee(s) to take certain actions to conduct those Section 626(a) proceedings; and

WHEREAS, the Commission performed a detailed needs assessment of the Member Cities’ and their communities’ present and future cable-related needs and interests and has evaluated and continues to evaluate Comcast’s past performance under the Franchises and applicable laws and regulations, all as required by Section 626(a) of the Cable Act, 47 U.S.C. § 546(a); and

WHEREAS, the Commission’s needs ascertainment and past performance review produced the following reports: The Buske Group’s “Community Needs Ascertainment – North

Suburban Communications Commission (Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony and Shoreview, Minnesota)" (July 15, 2013) (the "*Needs Assessment Report*"); Group W Communications, LLC's, telephone survey and report titled "North Suburban Communications Commission Cable Subscriber Survey (September 2011)" (the "*Telephone Survey Report*"); CBG Communications, Inc.'s, "Final Report - Evaluation of Comcast's Subscriber System, Evaluation of the Existing Institutional Network and Evaluation of PEG Access Signal Transport and Distribution for the North Suburban Communications Commission" (July 2013) (the "*Technical Review Report*"); Front Range Consulting, Inc.'s, "Financial Analysis of Comcast Corporation 2012 SEC Form 10K" (May 2013) (the "*Comcast Financial Report*"); and Commission staff's "Report on Cable-Related Needs and Interests and the Past Performance of Comcast of Minnesota, Inc.," (July 22, 2013) (the "*Staff Report*"); and

WHEREAS, based on its needs ascertainment, past performance review, best industry practices, national trends in franchising and technology, and its own experience, Commission staff prepared a "Request for Renewal Proposal for Cable Television Franchise" ("RFRP") that summarizes the Member Cities' and their communities' present and future cable-related needs and interests, establishes requirements for facilities, equipment and channel capacity on Comcast's cable system and includes model provisions for satisfying those requirements and cable-related needs and interests; and

WHEREAS, pursuant to Resolution No. 2013-04, the Commission authorized its Executive Committee, Franchise Renewal Committee, Commission staff and/or Commission designee(s) to take all steps and actions necessary to implement, conduct and engage in the entire formal franchise renewal process set forth in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), and to comply with any and all related federal, state and local laws, regulations, ordinances, orders, decisions and agreements; and

WHEREAS, the Commission's delegation of authority to the Franchise Renewal Committee includes, but is not limited to, the issuance of a staff report and RFRP and the establishment of appropriate deadlines for questions and Comcast's RFRP response; and **WHEREAS**, in accordance with the authority delegated by the Commission, the Franchise Renewal Committee, by resolution, terminated the Section 626(a) proceedings required by the Cable Act on July 26, 2013, issued the *Staff Report* and RFRP to Comcast, effective July 29, 2013, and instructed Commission staff to deliver the *Staff Report* and RFRP to Comcast no later than July 30, 2013; and

WHEREAS, the *Staff Report* and RFRP was delivered to Comcast on July 29, 2013; and

WHEREAS, the Commission ratified the issuance of the *Staff Report* and RFRP by the Franchise Renewal Committee at its August 2013 meeting; and

WHEREAS, the Commission and Comcast engaged in informal renewal negotiations pursuant to 47 U.S.C. § 546(h) but are currently unable to arrive at mutually acceptable terms, although informal discussions are ongoing; and

WHEREAS, the Commission established November 22, 2013, as a deadline for Comcast's response to the *Staff Report* and RFRP; and

WHEREAS, the Commission and Comcast agreed to extend certain deadlines including the deadline for Comcast to respond to the *Staff Report* and RFRP and the deadline set forth in 47 U.S.C. 546(c) for the Commission and the Member Cities to accept or preliminarily deny the Comcast Proposal; and

WHEREAS, on or about December 20, 2013, Comcast submitted to the Commission its Formal Proposal in response to the *Staff Report* and RFRP ("Proposal"); and

WHEREAS, the Commission published a notice notifying the public that Comcast's Proposal has been received and was placed on file for public inspection in the Commission's office, and that written public comments may be submitted to the Commission; and

WHEREAS, the Commission held a public hearing on April 17, 2014, and May 1, 2014, on the Comcast Proposal; and

WHEREAS, Comcast's proposal was analyzed by the Commission's staff, The Buske Group, CBG Communications, Inc., and Front Range Consulting, Inc., each of whom prepared a separate Executive Summary of Comcast's Proposal, which are all attached hereto and incorporated herewith as Exhibit A to Attachment 1 (collectively the "Executive Summary Reports"); and

WHEREAS, the Executive Summary Reports identify with particularity whether Comcast's Proposal is acceptable or unacceptable as it relates to the Commission's *Staff Report* and RFRP; and

WHEREAS, the Commission carefully reviewed Comcast's Proposal and determined a number of areas where the Proposal fails to meet the future cable-related community needs and interests taking into account the cost of meeting such needs and interests; and

WHEREAS, should Comcast request the commencement of an administrative hearing pursuant to 47 U.S.C. § 546(c), the Commission has prescribed Rules for the Conduct of an Administrative Hearing, attached hereto as Exhibit B to Attachment 1, which rules comply with all procedural obligations set forth in 47 U.S.C. § 546(c); and

WHEREAS, the Commission carefully considered all public comment including that contained within the *Staff Report* and RFRP, the Proposal and the attached analysis; and

WHEREAS, the Commission, on May 15, 2014, adopted a resolution, attached hereto as Attachment 1, recommending to the Member Cities that the Member Cities issue a preliminary assessment that the Comcast Franchises should not be renewed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SHOREVIEW THAT:

1. Each of the above recitals is hereby incorporated as a finding of fact by the City.
2. Attachment 1 and its Exhibits A and B are hereby incorporated by reference as if fully set forth in the body of this Resolution.
3. The City makes a preliminary assessment that the Comcast Franchises should not be renewed.
4. The City preliminarily finds that Comcast's Proposal fails to meet the Commission and the City's future cable-related community needs and interests taking into account the cost of meeting such needs and interests.
5. The basis for the City's preliminary assessment is set forth in Attachment 1, Exhibit A.
6. At any administrative hearing requested by Comcast, the Rules for the Conduct of an Administrative Hearing attached hereto as Attachment 1, Exhibit B will ensure that Comcast is afforded a fair opportunity for full participation, including the right to introduce evidence, to require the production of evidence and to question witnesses.
7. The City finds that its actions are appropriate and reasonable in light of the mandates contained in federal law including 47 U.S.C. § 546.

The motion of the foregoing resolution was duly seconded by Member _____ and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted the 16th day of June, 2014.

STATE OF MINNESOTA)

COUNTY OF RAMSEY)

CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of

Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 16th day of June, 2014, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to a preliminary assessment that the Comcast of Minnesota, Inc. cable franchise should not be renewed.

WITNESS MY HAND officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this 17th day of June, 2014.

Terry C. Schwerm, City Manager

ATTACHMENT 1

NSSC May 15, 2014 Resolution

ATTACHMENT 1, EXHIBIT A

**ANALYSIS OF COMCAST'S CABLE PROPOSAL
TO THE NORTH SUBURBAN COMMUNICATIONS COMMISSION**

Commission's staff, Supplemental Staff Report on
*The Comcast Formal Proposal for Renewed Franchises
with the NSCC Member Cities*

CBG Communications, Inc.
*Executive Summary of CBG Communications, Inc.'s
Report on the Technical Aspects of Comcast's Formal Renewal Proposal*

The Buske Group
*Executive Summary, Review of Public, Educational, and Government (PEG) Access Aspects of
Franchise Renewal Proposal Submitted By Comcast of Minnesota*

Front Range Consulting, Inc.
Executive Summary, FRC's Review of Comcast's Formal Renewal Proposal

SUPPLEMENTAL STAFF REPORT ON THE COMCAST FORMAL PROPOSAL FOR RENEWED FRANCHISES WITH THE NSCC MEMBER CITIES

Introduction and Overview

The purpose of this supplemental staff report is to provide the staff's analysis of the formal franchise renewal proposal and exhibits submitted by Comcast on December 20, 2013, and the extent to which the proposal meets the needs identified in the Staff Report and Request for Renewal Proposal (RFRP), which was issued by the North Suburban Communications Commission (NSCC) on July 29, 2013. Specifically, the supplemental staff report will address the top four issues for renewed franchises with the ten member cities: 1) the continued offering of the fiber-based Institutional Network (I-Net) which connects local government institutions within the ten member cities, including municipal facilities, Ramsey County facilities, and several schools (both K-12 and post-secondary) at no charge to the users; 2) funding for Public, Educational and Government (PEG) communications in the ten member cities, and channel capacity for transmission of the eight PEG channels in both SD and HD; 3) Comcast's past customer service performance and 4) two of the issues from the report prepared by Mr. Andrew Elson of E-Consulting Group (Exhibit 2 of the Comcast proposal). This Supplemental Staff Report should be considered with the other consultant's reports (CGB Communications, Front Range Consulting and The Buske Group). Attached as Exhibit 1 to this report is an initial comparison of the franchise agreement terms included in the RFRP to Comcast's Proposal.

EXECUTIVE SUMMARY

I-Net Issues

Since Comcast notified the NSCC member cities in October and November 2010 of its desire to renew the cable television franchises, the NSCC and its staff have been engaging in the renewal processes set out in federal law. The NSCC undertook an extensive assessment of our community's cable-related communications needs and interests (both from a subscriber and community user standpoint) and evaluated the company's performance under the current franchise. The Staff Report summarized these needs and identified key issues to be addressed in the renewed franchises. Those key issues – retention of the fiber and HFC based Institutional Network (I-Net) linking local government facilities and the community media center, CTV North Suburbs; retention of both operational and capital funding for community media; and retention

of the eight PEG access channels currently programmed and simulcast of several of those channels in HD – were identified as community needs and are included in the RFRP.

The NSCC RFRP on the I-Net recognized that Comcast has already been compensated for the six strands of fiber provided in the 1998 franchise for local government and community media use. Comcast passed through to subscribers in the PEG fee itemized on their bills the cost attributed by the company (approximately \$567,000) primarily for those six fibers which are embedded in the company's network. The users of the I-Net (the cities, schools, libraries and NSCC/NSAC) have provided their own equipment to connect to and manage the network, and city and NSCC/CTV staff oversees and maintains the network. As a result, the cost to Comcast to maintain the I-Net is very small. However, the benefits to the NSCC/CTV and the member cities, such as substantial cost savings, are significant. Comcast's proposal to impose new charges for these already paid for networks do not meet the NSCC's needs or the RFRP. Staff also believes that Comcast is incorrect that the Cable Act only allows the I-Net to be used for PEG transport services. The current I-Net is used for both the PEG transport services and a dedicated private communications network for the governmental facilities, and the RFRP requested a continuation of that practice at essentially no cost to the NSCC or its member cities.

These I-Net benefits include, of course, the upstream and downstream transmission of video programming for the seven public and educational channels and the 10 discrete city channels. In addition to programming the four public channels, the I-Net enables CTV North Suburbs to provide programming and channel management, as well as webstreaming, services for nine of the ten cities and two of the three school districts, saving the cities and the school districts money that would otherwise need to be spent on staff time and the purchase of playback and webstreaming equipment and software.

In addition, the cities, schools and Ramsey County use the I-Net non-video data applications and services, including a telephone system and Internet access shared among eight of the ten cities and CTV North Suburbs and administrative services, such as financial systems and GIS applications. The Ramsey County Library uses the I-Net to connect its four branch libraries in Shoreview, Roseville, Mounds View and New Brighton, allowing for the technology consolidation to support their daily operations, as well as high speed and reliable access to collections, applications, programming and the Internet. The collaboration among all of these public institutions not only saves taxpayer dollars, but provides for more efficient and effective local government and community institution operations. The Cable Act has recognized the value to the local community of these private communications networks and has allowed these I-Nets to be part of the franchise agreement for a cable operator to use the public rights-of-way. It should be pointed out again that the local government users of the I-Net, including NSCC/NSAC, have paid for nearly all of the equipment and software to "light up" the fibers that they use and for the staff that manage and maintain that equipment and software. Comcast's

proposal would significantly increase the non-PEG I-Net costs which will significantly burden the non-PEG users unfairly and would serve to enrich Comcast's profits on a fully paid for network.

However, despite the fact that Comcast has already been compensated for the I-Net and the fact that its maintenance costs are minimal, Comcast now wants to charge for its use. For the use of the I-Net to transmit video programming, Comcast proposes to charge subscribers another \$645,000 over the 10-year franchise by passing through \$0.18 per month per subscriber. For the non-video uses, Comcast would charge \$1,675.80 per month per location for network interconnectivity and \$750 per month per rack/cabinet for collocation. For this charge, "...Comcast will agree to continue to provide institutional-network services comparable to that provided today" to recover what the company believes is the "fair-market value" of that portion of the I-Net. Based on the language in the proposal, it is frankly unclear whether Comcast is proposing to provide managed services for the I-Net or whether the company is intending for the local governmental users and NSCC/NSAC to pay more while they continue to buy and maintain their own equipment as they do now. Comcast's proposal on the I-Net does not meet the needs and interests identified in the Staff Report and RFRP.

PEG Funding

The current level of operational and capital funding for the community media facility operated by the North Suburban Access Corporation, dba CTV North Suburbs, in 2014 amounts to a little over \$1.5 million. In addition, the NSCC receives a Scholarship Grant that provides educational scholarships to post-secondary students pursuing degrees in communications and paid internships at CTV North Suburbs. These student interns work with the cities, as well as with public and educational access producers and volunteers.

In order to assess our future needs and interests, the NSCC commissioned The Buske Group to determine the future needs and interests. As summarized in the Staff Report and RFRP, the capital needs were approximately \$14,000,000 over the ten-year proposed franchise term. Additionally, the NSCC proposed that Comcast essentially continue to voluntarily support the operational needs of the NSCC/NSAC.

Incorrectly asserting that federal law prohibits the payment of operational funding, Comcast's formal proposal would provide only \$0.44 per subscriber per month for PEG capital needs only. Depending on the number of subscribers, that would range from approximately \$153,000 per year to approximately \$158,000 per year, compared to the nearly \$100,000 in annual capital grants in years 1 through 15 of the current franchise. This proposed level of capital funding is drastically below the identified needs and interest from the Buske Report and should serve as a basis for a preliminary denial of the Comcast proposal. Comcast has provided limited explanation in its proposal as to how the dramatically reduced capital funding could meet the capital needs of the NSCC/NSAC over the next ten years. Although this is an increase

in capital funding for CTV North Suburbs, Comcast has agreed historically that the NSCC/NSAC could use the currently operational and capital funding at its own discretion and the proposed lack of voluntary operational funding threatens the organization's continued existence.

In fact, failure to provide sufficient voluntary operational funding throughout the duration of the 10-year franchise would likely mean that CTV North Suburbs would have to shut its doors unless funding is provided by the member cities whereby essentially all of the franchise fees are used for PEG operational funding. That would mean that Comcast essentially pays no rent to the member cities for using the public rights-of-way, which seems unfair at best. Not only would that affect public and community access video production and programming, both for individual producers as well as community organizations, but it would affect local government and educational access video production and programming services as well. Those include covering city parades and festivals; school sports, concerts and graduations; local election coverage; programs about city services and activities; and coverage of special events, such as multiple hearings over the years on the TCAAP property and a series of hearings held by the Mounds View School District to discuss school closings. Further, it is because of the program playback infrastructure available at CTV North Suburbs community media center that the organization can offer low cost channel programming and webstreaming services to the cities and schools. That is all at risk with Comcast's proposal and would suggest that the local community needs and interest will not be met.

Comcast asserts in part that its refusal to continue voluntarily paying operational support, which the franchisee has been paying since 1991, is because the amount of the PEG fee collected in the NSCC cities makes it uncompetitive with other multi-channel video programming providers, such as DirecTV and Dish Network. However, the amount of the PEG fee has increased much more slowly than that of Comcast's own fees for its cable services. In addition, despite the company's claim that subscribers are unwilling to pay the PEG fee, no subscribers came forward at the April 17 public hearing on Comcast's formal proposal to complain about the PEG fee, nor has the NSCC received any written comments in conjunction with the public hearing complaining about the PEG fee or its amount. The bottom line is that the PEG grants – capital, operational and scholarship – cost Comcast nothing. They are a pass-through on subscriber's bills, and since 1991 staff has received no complaints about the PEG fee, nor did staff receive any comments in conjunction with the public hearing.

Channel Capacity

The member cities' current franchise agreements specify that 12 channels of 6 MHz each will be reserved for public, educational and government access use. Four of those channels were "loaned" back to the company, although without any expectation that they would be returned to community programming. Of the remaining eight channels, three are used for public/community; three are used for educational programming by the three public

school districts serving the member cities; one is used for government access, with each of the cities' programming distributed discretely within the their own municipal boundaries; and one is used for programming distributed by NASA via satellite. Because a number of cable subscribers were interested in the service, NSAC/CTV North Suburbs agreed to put the NASA programming on one of the community channels when a previous franchisee no longer wanted to carry it.

Comcast's formal proposal would cut the number of Standard Definition (SD) channels from eight to three and add one High Definition channel, with the possibility of adding one additional SD channel in the future. (Comcast proposal p. 74) The criteria for getting the HD channel is "not less than 5 hours per day, 5 days per week of locally produced, non-character generated, first-run programming (emphasis added)," a standard that does not appear to apply to any commercial channel on Comcast's system. In fact, some cable programming services do not cablecast ANY first-run programming. Further, Comcast's emphasis on first-run programming devalues the PEG channels role as a video archive of the community. There is no requirement in federal law the puts a "first-run" restriction on PEG programming and would infringe on the NSAC's freedom of speech protections. Whether it is a live broadcast, i.e., first-run, or a replay of a previous broadcast does not increase or decrease its value to the community. As such, the NSCC cannot recommend adoption of the Comcast proposal on either the number of SD and HD channels offered by Comcast nor the hurdles imposed in gaining new HD programming.

In addition, failure to transition PEG programming to HD will marginalize this programming and ensure that it will NOT be watched. The reality is that cable subscribers with HD television sets tend to watch only HD channels/programming services, and the trend is that most, if not all, programming services will be provided in HD or its successor technology (likely 4K). CTV North Suburbs has already invested in HD and HD-capable equipment, and a substantial amount of the programming produced at CTV North Suburbs, as well as that turned in for cablecast, is already in the HD format. At some point in the future, it will difficult to purchase SD production equipment.

But it is the content of these channels and what they represent that is most important. The community channels provide a variety of programming for local audiences that are not available elsewhere on the cable system, and they give a voice to people and groups who are often not heard or seen. In 2013, community producers and volunteers contributed almost 17,000 hours to produce 558 programs for the PEG channels, and CTV staff produced another 206 programs. These include city parades and festivals, school sports and concerts (both from K-12 and post-secondary schools); election coverage; high school robotics competitions; talk shows about community people, organizations and activities, such as "Tale of Ten Cities;" community band and orchestra concerts (The Shoreview Northern Lights Variety Band, the Roseville Community Band, the Roseville Strings); and a program by and about people with

disabilities, "Disability Viewpoints," that has been produced at CTV North Suburbs for 15 years. Losing five SD channels will severely impact how many of these locally produced programs will be cablecast in prime time. Difficult choices will have to be made as to whether, for example, "Disability Viewpoints" will be shown over the "Tale of Ten Cities." It will also impact the availability of discrete educational channels for the three school districts as they are forced to all share one channel. With all of the PEG channels being moved into a digitally compressed technology, there is no question that Comcast cannot claim bandwidth scarcity. Rather, it is the company's desire to reduce the availability of PEG programming in order to allow it to add more commercial programming services for which it can charge subscribers.

But community media and CTV North Suburbs is more than programming.

The Youth Media Program at CTV North Suburbs had 161 participants in 2013. These high school students produced 64 programs and contributed 350 volunteer hours to cover the "Night to Light MN" at the Guidant John Rose Oval tree lighting ceremony in Roseville, the Mounds View Community Theatre production of "Les Miserables," the North Oaks Vintage Baseball Association baseball game, and the Roseville Area High School dance recital. The goal of the Youth Media Program is not to create professional videographers, although some may pursue that career, but to give them opportunities to use their academic studies in real life situations and to develop life skills such as team work.

In a similar effort, two years ago CTV North Suburbs partnered with the Roseville Adult Learners Program at the Fairview Community Center to provide video production training for their students, all of whom are immigrants learning English as a second language. There were 12 students the first year, and this past year we had 34. As with the Youth Media Program, the goal is not to train professional videographers, but to support their English language training and to give them the tools to tell their own stories.

The Youth Media Program and the classes for the Roseville Adult Learners Program are also important for helping those who sometimes perceive themselves as outsiders, whether in the high school culture or in the American culture at large, to find a way to fit in and learn to express themselves.

The Staff Report and RFRP laid out a well-reasoned needs assessment for the number and type of PEG channels. The only additional requirement in the RFRP regarding PEG was a move to simulcasting the current SD channels in HD. Considering digital compression technology, the NSCC believed that the Staff Report and RFRP would have essentially not required additional bandwidth but rather used less than the analog bandwidth used by the NSCC/NSAC a year or so ago. Comcast's proposal would use less than 6 MHz of capacity, far less than the 48 MHz of capacity in the current franchise agreement, according to CBG Communications, Inc.

Past Performance - Customer Service Issues

The performance review conducted by The Buske Group was done in the Fall of 2011. Had it been done in 2013, it would have told a very different story about Comcast's customer service. Historically, the NSCC office would receive two or three customer complaints per month, but in January 2013 the complaint calls spiked. The staff quickly discerned two primary causes. First, beginning with the January bills and with ineffective notice to subscribers, Comcast began charging \$1.99 for the digital transport adaptors (DTA's) that the company had been providing at no charge since it began its transition to a digital cable system in 2010. Second, Comcast's Western Division had implemented a restructuring of its call centers, going from regional call centers that handled the full range of customer issues to call centers that specialized in specific issues, such as billing, installation, retention, Internet service, etc., and the transition did not go well. The result was long wait times to talk to a customer representative, with many calls routed to off-shore contract call centers unprepared for the influx of customer referrals and many of whose staff did not have adequate English language skills.

Although the call center transition should have been resolved by now, the NSCC office still hears from customers, in addition to their primary complaint, about long wait times and the English language skills of the customer service representatives. Generally, by the time customers call the NSCC office, they are extremely angry and frustrated with a customer service system that provides different information everytime they call, that seems more intent on blaming the problem on the customer than accepting responsibility and fixing it, and whose pricing is less than transparent, from DTA fees that include both equipment and "service" to annual service rates that seem to go in \$3 to \$5 increments. In contrast, the PEG fee about which Comcast complains has gone from \$3.75 in the early 2000's to \$4.15 in 2014, an increase of only \$0.40.

In determining the needs and interests outlined in the Staff Report and the RFRP, the NSCC strongly considered the lack of any subscriber complaints about the PEG fee and the constant rate increases for cable services to substantiate the inclusion of a request for Comcast to voluntarily continue operational support payments that would allow the NSCC to continue to meet the historical and future needs and interests of the communities. The NSCC cannot recommend the adoption of Comcast's proposal regarding its PEG commitments.

NSCC/NSAC Financial Operations

Comcast consultant Andrew Elson of E-Consulting Group has questioned the allocation of the Executive Director's time as reported on the NSAC's IRS Form 990 in 2011 and 2012. The report is prepared by the NSCC/NSAC contract accountants and auditors, Harrington Langer & Associates, and reviewed by staff, who simply missed this error. While an error, it has no place

as part of the formal renewal process. The financial statements sent to the IRS reflecting the NSAC as a non-profit organization is not relevant to the financial qualifications of Comcast to hold a franchise in the member cities.

Comcast's proposal also relies on an assertion by Mr. Elson on page 22 of his report that the NSCC and NSAC held \$2.1 million in cash and cash equivalents in reserves and demands that half of this "reserve fund" be distributed to the member cities and counted toward the capital grants to the cities proposed by Comcast. Mr. Elson and Comcast apparently fail to recognize that the various NSCC and NSAC checking and money market accounts are not static. While there may have been \$2.1 million collectively at one point in time in these accounts, that is not the case at this point in time. Two of the accounts, one for NSCC and one for NSAC, were checking accounts used for daily operations. They will ebb and flow as funds go in and funds are expended. One of the money market accounts is a \$250,000 letter of credit required by our lease because of the uncertainties of the franchise renewal process. Another account included in the "reserves" is a deferred revenue account that holds the PEG funds to be used in the next calendar quarter.

In addition, Comcast and Mr. Elson fail to consider the value of having reserves available to cover large capital expenses that are not annual, such as the over \$500,000 in capital improvements required when CTV North Suburbs had to move out of its former location and lease space in a new office building, or when it has to replace 10 cameras in two mobile production trucks and five cameras in the studio, or purchase new servers for video and office storage. In short, having financial reserves to cover extraordinary or unexpected expenses is, in fact, a good thing, and it is inappropriate for Comcast to suggest how much those reserves should be and how the funds should be distributed. Those are NSCC and NSAC board decisions. The proposal is for future cable related needs and interests. The use of the current PEG obligations is under the current franchise agreement, and they are not required to be used to offset any future cable related needs and interests. This is a practice that is entirely reasonable and under the control of the Board of Directors.

Recommendation

The NSCC/NSAC recommends that the NSCC Renewal Committee and the NSCC Board recommend to the Member Cities that the Member Cities make a preliminary assessment that the Comcast Franchises should not be renewed based on this supplemental staff report including the additional consultant's reports, because the Comcast proposal does not meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests. Further, staff is very concerned that, by adopting the Comcast Proposal, the NSCC and the member cities will be under franchise terms that will unfairly benefit Comcast. Many of the Comcast proposed franchise terms will limit enforcement by the NSCC and the member cities or will reduce the financial penalties for Comcast's failure to

comply with the franchise agreements. It is clear to the staff that the proposed I-Net and PEG funding and channels will cause the current operations and the anticipated future cable related needs and interests to be severely hampered by the Comcast proposal. Furthermore, the NSCC currently has issued two Notices of Violation to Comcast on: 1) Rate Order Compliance and the 2) 6 MHz PEG channel capacity. The NSCC will potentially consider additional notices of violation regarding Comcast's compliance with the March 2012 Memorandum of Understanding with regards to the bundled package allocations and adherence to the current franchise provision regarding the cost basis for Comcast's late fees. These compliance issues also serve as a basis for a preliminary assessment that the Comcast Franchises should not be renewed.

COMPARISON OF PROPOSED FRANCHISE AGREEMENTS¹

NSCC	COMCAST
Use of ROW (Rights of Way)	
<p>Section 2 (A) (B)—Does not provide open authority to erect, install, construct, etc.: expresses Grantee shall make use of existing poles, underground and aerial facilities. Does not exempt Grantee from obligation to pay compensation for real or personal property other than ROW.</p>	<p>2.1, 2.4—Grant of Authority to the use of ROW lists equipment that can be erected, installed, constructed, etc., to include poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System.</p>
<p>(C) Lease or assignment of Grantee’s system prohibited.</p>	<p>Prohibition on Lease or assignment of Grantee’s system not included</p>
Franchise Term	
<p>Section 2 (D)—Period of 10 years.</p>	<p>2.2—Period of 10 years</p>
Previous Franchise Unfulfilled Obligations and Commitments	

¹ This initial comparison excludes a review of the “gross revenues” definition, PEG provisions and I-Net provisions. The last two provisions are covered in other reports and the “gross revenues” definition has already been agreed to.

<p>Section 2 (E)—Retains City’s authority to enforce the terms of several transfers, Memorandum of Understanding, Settlements, etc., from the previous franchise</p>	<p>No such provision.</p>
<p>No Waiver</p>	
<p>Section 2 (F) (1) (2)—Retains right of the City or Commission to enforce compliance or performance even when they have not exercised that right. Prevents nullification of other provisions if there is a waiver of any other breach.</p>	<p>No such provision.</p>
<p>No Recourse, Construction of Franchise Agreement, Amendment of Franchise Agreement</p>	
<p>Section 2—(G) (H) (I)—Exempts the City or the Commission from claims, actions, liability, etc., arising from actions or inactions by the Grantee.</p> <p>Provides the Franchise be liberally construed in favor of the City or the Commission.</p> <p>Allows the City to liberally amend the franchise to accommodate new technology in order for Grantee to better serve its customers; however, retains police powers.</p>	<p>No such provisions.</p>

Compliance With Applicable Laws, Resolutions and Ordinances	
<p>Section 2 (J) (1)(2)(3)(4)(5)—Requires Grantee to comply with all laws, resolutions and ordinances (even if not in the Franchise); retains police powers of the Grantor. Provides even treatment of all ROW users. Establishes procedure for notifications.</p>	<p>No such provision.</p>
Rules of Grantee	
<p>Section 2 (K)—Allows Grantee to establish how it governs the conduct of its business as long as it is not in conflict with laws.</p>	<p>No such provision.</p>
Territorial Area Involved	
<p>Section 2 (L)—Requires Grantee to extend service to newly defined corporate boundaries of the city, giving a 12 month deadline for extension. Line extension requirements to be included.</p>	<p>2.5—Defines Grantee will not extend to newly incorporated areas unless there is a minimum of 50 homes per cable mile (underground) and 35 homes per cable mile (overhead), within 500 ft. of the cable system, giving a 24 month limit on completion. Allows charges to customers for drops greater than 150 feet.</p>

Written Notice	
Section 2 (M)—Provides requirement for written notices, timeline and person to receive notices.	No such provision.
Network Drops, Equipment and Cable Service to Designated Buildings	
Section 2 (N)—Refers to the RFRP	Includes list as attachment
Registration, Permits, Construction Codes	
Section 3 (A) (1) (2)—Requires compliance with all laws; consideration of aesthetics and private property; supervision by City. Provides remedy for non-compliance.	No such provision.
Repair of Rights of Way and Property	
Section 3 (B)—Lists what rights of way and facilities must be repaired, restored, replaced, reconstructed in event of damage; timeline for commencement of repairs of damage no more than three (3) days (provides for extension by City); reimbursement to City.	Section 3.1—Provides for repair of damage; does not define timeline for commencement of repair; provides for reimbursement to the City.

Conditions on Right of Way Use	
<p>Section 3 (C) (1) (2)—Establishes right of City to control, construct, relocate, maintain, etc., all of the Right of Way.</p> <p>Requires that Grantee not obstruct or interfere with use of Right of Way, cause minimum interference with rights of property owners and no interference with public utilities.</p>	<p>No such provision.</p> <p>No such provision.</p>
Grantee to Move Lines at Request of City	
<p>Section 3 (C) (3)—Grantee, at its expense, to move, disconnect, relocate, etc., when requested by the City in order for the City to conduct necessary work. If Grantee fails, the City secures the right to move, disconnect, relocate, etc., at the Grantee's expense. The City will not be liable if it conducts the work.</p>	<p>Section 3.2—Grantee will protect, alter, relocate, etc. lines on thirty (30) days written notice from City. If public funds are available to any other user of the ROW, City will notify Grantee of funds and make them available to the Grantee.</p>
Interference with Existing Utilities	
<p>Section 3 (C) (4)—Grantee shall not place anything above or below ground that will interfere with existing utilities in the ROW and will comply with all lawful requirements of the City.</p>	<p>No such provision.</p>

Relocation Due to Third Party	
<p>Section 3 (C) (5)(8)—On ten (10) days notice, Grantee shall move its wires or fixtures to permit the moving of a building. Person requesting must be permitted and subject to reimburse Grantee for the expense.</p> <p>Grantee will be given thirty (30) days written notice of Person authorized to use ROW and movement of its facilities to accommodate. Grantee will be paid in advance by such Person. Disputes between parties will be resolved by the City, if not covered by contract between the parties.</p>	<p>Section 3.3—Grantee will relocate facilities on reasonable prior written request, not less than thirty (30) days. Grantee will be paid in advance by such Person.</p>
Tree and Vegetation Trimming	
<p>Section 3 (C) (6)—Grantee shall follow City Code when removing, cutting, trimming, etc., of trees and vegetation. Grantee agrees not to injure trees, and all costs associated will be paid by Grantee, not the City or private property owner.</p>	<p>No such provision.</p>
Notification of Property Owners	
<p>Section 3 (C) (7)—Grantee must use best efforts to notify private property owners of work in ROW.</p>	<p>No such provision.</p>

Undergrounding	
<p>Section 3 (D) (1) (2)—City may require Grantee to use existing poles, conduits, etc.</p> <p>City may require Grantee to place its facilities underground. Grantee may not place facilities where they will interfere with existing utility facilities. Consistent with City Code, Grantee may use overhead facilities, but in no way use overhead facilities where other utilities are underground. City may require overhead facilities to be placed underground.</p>	<p>Section 3.4—Grantee shall participate in planning projects of undergrounding all utilities. Grantee's relocation costs will be included in project funding, and Grantee will be entitled to reimbursement from public or private funds.</p>
Installation of Facilities	
<p>Section 3 (E) (1) (2)—Grantee must obtain required permits or authorization from the City before placing any facilities or equipment, etc.</p> <p>Placement of facilities does not constitute a vested fee interest in ROW or City property. Facilities must be located and installed to cause minimal interference for private property owners.</p>	<p>No such provision.</p>

Safety Requirements	
Section 3 (F) (1)—Grantee must follow safety practices of code, law and regulation. Grantee must maintain safety in preventing failure or accidents to the public or property.	No such provision.
Non-Interference	
Section 3 (F) (2)—Grantee must not interfere with City’s communications technology related to health, safety and welfare of residents.	No such provision.
Warning Devices	
Section 3 (F) (3)—Grantee must install and maintain devices that warn Persons or government entities of work in the ROW.	No such provision.
Grantee Must be Member of One Call Notification	
Section 3 (F) (4)—Grantee must be member of One Call Notification System and mark locations of underground facilities and identify same for City free of charge.	No such provision.

City Use of Facilities	
<p>Section 3 (G)—City has the right to use Grantee’s poles, conduits, ducts, etc., free of charge provided it does not interfere with needs or operations of Grantee. Any costs associated will not be offset against franchise fees or other payments to City, NSAC or the Commission.</p>	<p>No such provision.</p>
Removal of Facilities at Expiration	
<p>Section 3 (H)—The City shall have the right at expiration of the Franchise to require the Grantee, at its expense, to remove all facilities and restore affected sites to original condition. Failure to do so results in facilities becoming property of the City. The City will not be liable to the Grantee for damage, loss or costs associated.</p>	<p>No such provision.</p>

System Capacity and Technical Design	
<p>Section 4 (A) (1) (a)—Requirements for characteristics, TBD per RFRP.</p>	<p>Section 3.5—Compliance with FCC standards. Upon receipt of customer complaints, City may inquire as to Grantee’s compliance. Also see Section 5.3, restrictions on reporting requirements.</p>
<p>Section 4 (1) (b)—Requires TDD/TYY equipment at Grantee’s office and published phone numbers for same.</p>	<p>No such provision</p>
<p>Section 4 (A) (2)—Required features to be inserted as per RFRP.</p>	<p>No such provision.</p>
<p>Section 4 (A) (3)—No channel mapping of PEG channels without prior approval of the City. Requires Grantee to agree to channel map as few non-PEG channels as possible in the attempt to deliver high quality signals or comply with law.</p>	<p>No such provision</p>
<p>Section 4 (A) (4)—Conduit is to be sized to accommodate future upgrades in attempt to obviate need for reopening of ROW.</p>	<p>No such provision.</p>
<p>Section 4 (A) (5)—Grantee will not raise a claim that the system design and performance standards are unenforceable.</p>	<p>No such provision.</p>

Integration of Advanced Technology	
<p>Section 4 (B) (1)—Grantee is responsible for periodic upgrades to meet the needs and interests of the community.</p>	<p>No such provision</p>
<p>Section 4 (B) (2)—Requires Grantee to report no more than every two (2) years to Commission and Member Cities on developments in technology and intent to incorporate those technologies.</p> <p>Report must include effect on use of PEG, I-Net, consumer equipment. Report must report how other cable companies have incorporated such technology and timetable for Grantee to do so.</p>	<p>No such provision.</p>
System Construction and Line Extension	
<p>Section 4 (C) (1)—To be inserted per the RFRP</p>	
<p>Section 4 (C) (2)—System construction and maintenance in accordance with laws, codes, standards, etc.</p>	<p>No such provision.</p>
<p>Section 4 (C) (3)—Grantee must notify City of any maintenance or construction that causes service disruption or physical construction. (example list included).</p>	<p>No such provision.</p>

<p>Section 4 (C) (4)—Grantee shall provide, on request, detailed description of construction and design maps of facilities.</p>	<p>No such provision.</p>
<p>Section 4 (C) (5)—Grantee shall maintain comprehensive as-built drawings (as they are updated) and provide copies to the City and Commission on request. Drawings must include both ROW and private property for investigation of complaints. Grantee will maintain routing diagrams and provide these to the City.</p>	<p>No such provision.</p>
<p>Section 4 (C) (6)—Grantee, on request, shall meet with the City or Commission to provide updates on progress of construction. Throughout process Grantee shall inform the public/Subscribers on progress, location of crews and expected interruptions of service.</p>	<p>No such provision.</p>
<p>Section 4 (D) (E) (F)—System Maintenance, Technical Standards, Tests and Inspections to be inserted per the RFRP</p>	
<p>FCC Reports</p>	
<p>Section 4 (G)—Grantee will file the FCC reports of results of testing with City or Commission within ten (10) days of request.</p>	<p>No such provision.</p>

Non-voice Return Capability	
Section 4 (H)—Grantee is required to have technical capability for non-voice return communication.	No such provision.
Lockout Device	
Section 4 (I)—Grantee is required, at request of subscriber, to provide a lockout device at no charge.	No such provision.
Types of Service	
Section 4 (J)—Grantee required in changes in selection of programs or service to provide 30 days written notice to subscribers, Commission and City and comply with all applicable laws and franchise agreement.	No such provision.
Uses of System	
Section 4 (K)—Grantee, on request, shall advise Commission and City of uses of System. City/Commission shall have right to conduct unannounced audits of use.	No such provision.

Additional Capacity	
<p>Section 4 (L)—Grantee shall notify City/Commission in writing in advance of additional fiber capacity, so capacity can be added for government and institutional use. City/Commission will notify Grantee within fifteen (15) days. Costs incurred by Grantee will not be deducted or offset against franchise fees or PEG support.</p>	<p>No such provision.</p>
Home Wiring	
<p>Section 4 (M) (1)—Grantee will not restrict Subscriber’s ability to change wiring located in Subscriber’s dwelling as long as those changes do not interfere with FCC standards or ability of Grantee to provide services and collect payment from that Subscriber or others.</p>	<p>No such provision.</p>
<p>Section 4 (M) (2)—Grantee must provide Subscribers notice of their rights regarding home wiring. Notice must include changing home wiring, the right to select a third party contractor, request that Grantee can provide service at hourly rate plus materials.</p>	<p>No such provision.</p>
<p>Section 4 (M) (3)—Notice must inform Subscribers of its responsibility in changing wiring. Grantee may offer materials to Subscribers at cost plus reasonable rate of return.</p>	<p>No such provision.</p>

<p>Section 4 (M) (4)—Grantee will cooperate with competitive providers and provide access to home run wiring in multiple dwelling units at pro rata cost. Exclusive contracts for provision of service will be null and void.</p>	<p>No such provision.</p>
<p>Customer Service Monitoring</p>	
<p>Section 4 (N)—Grantee shall retain records to enable City/Commission to determine compliance with phone answering standards.</p>	<p>Section 5.3—Other Information Requests (see page 32 below)</p>
<p>Customer Service Standards</p>	
<p>Section 5 (A)—Grantee shall comply with FCC customer service standards and additional or stricter standards contained in franchise or by ordinance or law adopted by state, City/Commission.</p>	<p>Section 4.1.1—Requires City to adopt FCC customer service standards.</p>

Local Office and Office Hours	
<p>Section 5 (B) (1)—Grantee will provide customer service center in franchise area with determined hours so that customers may: pay bills, return equipment, cancel service, etc. Grantee will provide a drop box at determined hours. Payments will be posted within 48 hours. Sixty (60) days notice on change of service center location to Subscribers. Grantee will, at request, pick up or retrieve equipment.</p>	<p>No such provision.</p>
Closure of Service Centers	
<p>Section 5 (B) (2) (a) (b) (c)—In the event of closure of service center office in franchise area, Grantee will pick up and drop off equipment, etc., free of charge. Provide Subscribers with a pre-paid mailer. Enable payment over the phone free of charge.</p>	<p>No such provision.</p>
Video Programming	
<p>Section 5 (C)—Programming is the discretion of Grantee, provided Grantee provides thirty (30) day notice of change to City/Commission/Subscribers.</p>	<p>No such provision.</p>

Regulation of Service Rates	
<p>Section 5 (D) (1)—Provides Commission authority over equipment/service rates as allowed by law.</p>	<p>No such provision.</p>
<p>Section 5 (D) (2)—Grantee to provide one billing cycle notice to Subscribers, City and Commission of changes in rates. Bills must be clear and understandable. Online bill payers must receive email of changes.</p>	<p>No such provision.</p>
<p>Section 5 (D) (3)—Grantee will respond to written requests for data by the City/Commission during petition for relief under effective competition.</p>	<p>No such provision.</p>
Sales Procedures	
<p>Section 5 (E)—Grantee will not engage in deceptive sales practices and inform non-Subscriber of all services. Commission must be notified of package changes.</p>	<p>No such provision.</p>

Subscriber Inquiry and Complaints	
<p>Section 5 (F) (1)—Grantee to have publically listed toll free number, twenty four (24) hours per day, seven (7) days per week.</p>	<p>No such provision.</p>
<p>Section 5 (F) (2)—Establishes guidelines for answering the phone, telephone lines, personnel, and busy signal guidelines. Requires reporting of compliance.</p>	<p>No such provision.</p>
<p>Section 5 (F) (2)—Grantee will respond to written requests within thirty (30) days and provide Commission with copy of response.</p>	<p>No such provision.</p>
<p>Section 5 (F) (4)—Grantee will prepare, maintain written records of complaints and provide them to Commission on request.</p>	<p>Section 5.3 (ii)—No information provided unless there is reasonable basis for inquiry. Section 5.3 (iii)—City shall contact Grantee prior to information request to allow cure. Section 5.3 (iv)—Grantee will be given draft of results to review before publication. Section 5.3 (v)—Grantee shall be given advance notice of meetings that discuss review.</p>

<p>Section 5 (F) (5)—Grantee will commence working on service problems twenty four (24) hours on service interruptions.</p>	<p>No such provision.</p>
<p>Section 5 (F) (6)—Establishes parameters and time windows for appointments for service calls.</p>	<p>No such provision.</p>
<p>Section 5 (F) (7)—Grantee will respond to City/Commission complaints in a timely manner.</p>	<p>No such provision.</p>

Subscriber Contracts	
<p>Section 5 (G)—Grantee must file with the Commission any standard contract with subscribers, to include length and terms and must make same available at their offices and NSCC.</p>	<p>No such provision.</p>
<p>Section 5 (H) (1)—Grantee will prorate the monthly rate to subscribers on establishment or termination of service.</p>	<p>No such provision.</p>
<p>Section 5 (I)—Grantee shall ensure that persons or entities not receiving Cable service not be assessed franchise fees, unless permitted by law.</p>	<p>No such provision.</p>
<p>Section 5 (J) (1) (2)—Refunds will be issued promptly not later than: a. next billing cycle; b. return of equipment. Credits issued on Subscriber's next bill.</p>	<p>No such provision.</p>
<p>Section 5 (K)—Grantee not to issue late fees unless service has been provided and notification of Subscriber. Late fees will not exceed actual cost and amounts must be filed with the Commission.</p>	<p>No such provision.</p>
<p>Section 5 (L) (1) (a)—Grantee will provide at installation and every twelve months: instructions on use; billing and complaint procedures; schedule and rates; channel positions; prices and options; policies and rights of Subscribers.</p>	<p>No such provision.</p>

<p>Section 5 (L) (2)—Copies of previous subsection provisions to be filed with City and Commission.</p>	<p>No such provision.</p>
<p>Section 5 (L) (3)—All Grantee promotional materials must be clear and accurately reflect rates after the end of promotions.</p>	<p>No such provision.</p>
<p>Exclusive Contracts and Anticompetitive Acts Prohibited</p>	
<p>Section 5 (M) (1)—Grantee may not require an exclusive contract of Subscribers.</p>	<p>No such provision.</p>
<p>Section 5 (M) (2)—Grantee shall not engage in anti-competitive acts against subscribers and multiple dwelling units.</p>	<p>No such provision.</p>
<p>Operations and Administration Provisions</p>	
<p>Section 8 (A)—The City Manager or designee will have jurisdiction over the System and Grantee’s operations.</p>	<p>No such provision.</p>
<p>Section 8 (B)—The Commission will have the authority to administer and support the franchise. The Grantee shall cooperate with the Commission.</p>	<p>No such provision.</p>

Periodic Evaluations	
<p>Section 8 (F) (1)—City or Commission can require evaluations on fifteen (15) days notice.</p>	<p>Section 5.3—Reports and meetings. See page 32 below.</p>
<p>Section 8 (F) (2)—Evaluation sessions may address various aspects of the franchise, court and FCC rulings, changes in law, etc., or any topic the City or Commission deems relevant.</p>	<p>Section 5.3 (ii)—No information provided unless there is reasonable basis for inquiry.</p> <p>Section 5.3 (iii)—City shall contact Grantee prior to information request to allow cure.</p> <p>Section 5.3 (iv)—Grantee will be given draft of results to review before publication.</p> <p>Section 5.3 (v)—Grantee shall be given advance notice of meetings that discuss review.</p>
<p>Section 8 (F) (3)—After evaluation, Grantee will meet with City or Commission to discuss changes to the franchise that are feasible.</p>	<p>No such provision.</p>

Finance and Insurance	
<p>Section 9 (A) (1)--Performance Bond of \$3,000,000.</p> <p>Section 9 (A) (2)—Provides ability to extend time by the Commission.</p> <p>Section 9 (A) (3)—If franchise is revoked, City or Commission may collect for damages from the Performance Bond.</p> <p>Section 9 (A) (4)—Provides for the return of the Performance Bond to the Grantee.</p> <p>Section 9 (A) (5)—The Performance Bond will not interfere with other rights reserved by the City and the Commission.</p>	<p>Section 8.5—Performance Bond of \$500,000. City not allowed to draw on it if in dispute process.</p>
Letter of Credit and Liquidated Damages	
<p>Section 9 (B) (1 (2))—Letter of Credit for \$25,000.</p>	<p>No such provision.</p>
<p>Section 9 (B) (3)—Collection from Letter of Credit for acts/omissions by Grantee to City, Commission or any Person.</p>	<p>Section 8.4—Liquidated Damages to the City (solely).</p>

Section 9 (B) (3) (a)—Failure to timely construct system or I-Net in timely manner \$1,000 per day.	Section 8.4 (v) (1)—Failure to construct as provided in franchise, \$50 per day.
Section 9 (B) (3) (b)—Failure to provide data, reports, etc., \$500 per day.	Section 8.4 (v) (3)—Failure to provide data, reports, etc., \$50 per day.
Section 9 (B) (3) (c)—after fifteen day notice, failure to comply with system requirements, \$1,000 per day.	No such provision.
Section 9 (B) (3) (d)—Failure in PEG provisions, \$1,000 per day.	Section 8.4 (v) (5)—Failure in PEG provisions \$50 per day.
Section 9 (B) (3) (e)—Breach of contract or agreement \$1,000 per day.	Section 8.4 (v) (4)—Violation of transfer provision \$250 per day.
Section 9 (B) (3) (f)—Failure to comply with any provision for which a penalty is not included, \$500 per day.	No such provision.
Section 9 (B) (4)—Each violation shall be considered separately.	No such provision.
Section 9 (B) (5) (6)—Conditions for drawing on Letter of Credit.	No such provision.

<p>Section 9 (B) (7) (8) (9)—Periodic replacement and replenishment of the Letter of Credit.</p> <p>Section 9 (B) (10)—Draw on the Letter of Credit will not affect any other right or remedy of the franchise agreement.</p>	<p>No such provision.</p> <p>No such provision.</p>
<p>Indemnification of the City and Commission</p>	
<p>Section 9 (C) (1) (2) (3)—Broad description of those indemnified and activities defined.</p>	<p>Section 8.6—Narrow definition of those indemnified and activities defined.</p>
<p>Insurance</p>	
<p>Section 9 (D) (1)—Broad definition of requirements for liability insurance.</p>	<p>Section 8.6—Narrow definition of requirements for liability insured.</p>
<p>Section 9 (D) (2) (a to g)— \$2,000,000—property damage to a person. \$2,000,000—property damage to property \$2,000,000—personal injury. \$2,000,000—personal injury during any one incident. \$2,000,000—for all other liability. \$2,000,000—auto liability: separate for bodily injury and death per occurrence; bodily injury and death to any one person; property damage per occurrence.</p>	<p>Section 8.7— \$1,000,000—personal injury or death to one person. \$2,000,000—personal injury or death of two or more persons. \$500,000—for property damage to any one person. \$2,000,000—property damage for one act or occurrence.</p>

<p>Section 9 (D) (3 to 6)—Insurance policies are to be maintained; insurers qualified to do business in the State; insurance policies must be available for review by the City and Commission; failure to comply with insurance requirements as material breach.</p>	<p>No such provisions.</p>
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<p style="text-align: center;">Revocation</p>	
<p>Section 10 (A) (1)—City reserves the right to revoke in case of: a. Grantee violates material provisions; b. Grantee has attempted to evade terms of franchise; c. Grantee has practiced fraud or deceit. City may revoke without hearing if Grantee is adjudged bankrupt.</p>	<p>8.1—If Grantee has not complied with material provisions, City will notify Grantee.</p>
<p>Section 10 (B)²(1)—City will provide written notice to cure. Grantee will have thirty (30) days to correct.</p>	<p>8.2—Grantee will have thirty (30) days to: respond by contesting; cure the default; or initiate reasonable steps to begin to cure.</p>
<p>Section 10 (B) (2)—Grantee will be provided public hearing by the City Council; the City will provide Grantee written notice of its decision.</p>	<p>8.3—If Grantee fails to respond or default is not remedied in thirty (30) days, the City will provide a public hearing not less than ten (10) days after initial thirty (30) day period.</p>
<p>Section 10 (B) (3)—After public hearing and on written notice of revocation, termination or shortening length of franchise, Grantee may appeal in state, federal court.</p>	<p>No such provision.</p>

² Wrongly designated as Section 10 (13).

<p>Section 10 (C)---Grantee shall not abandon the system without three (3) months notice, must compensate City for abandonment.</p>	<p>No such provision.</p>
<p>Section 10 (D) (1) (2)---City has right to require Grantee to remove its system on termination, forfeiture or abandonment of franchise. If Grantee fails, City can collect on Letter of Credit or Performance Bond and the City owns the system.</p>	<p>No such provision.</p>
<p>Sale or Transfer of Franchise</p>	
<p>Section 10 (E) (1)---No sale or transfer of franchise or transfer of stock without approval of the Commission. Including intra-company transfers or sales, except for indebtedness.</p>	<p>Section 6.1 ---Grantee needs consent of City for transfer, defined as 51% owner interest. No consent needed for intra-company transfers, including to secure indebtedness.</p>
<p>Section 10 (E) (2)---Defines controlling interest as working control, to include fifteen percent (15%) or more by one person and acquisition by one person of five percent (5%) or more.</p>	<p>No such provision.</p>
<p>Section 10 (E) (3) (a) (b) (c)---Grantee shall file all documents (defined in this section) and other documents as Commission may require.</p>	<p>No such provision.</p>
<p>Section 10 (E) (4)---Commission will have time defined by federal law to review the transfer request.</p>	<p>No such provision.</p>

<p>Section 10 (E) (5)---City and Commission cost associated with the transfer request will be reimbursed by the Grantee. Grantee may recover those expenses but not itemize them.</p>	<p>No such provision.</p>
<p>Section 10 (E) (6)---Transferee becomes signatory to the Franchise.</p>	<p>No such provision.</p>
<p>Section 10 (E) (7)---City and/or Commission will have the right to purchase the system.</p>	<p>No such provision.</p>
<p>Section 10 (E) (8) (a) (b)---City and Commission must indicate in writing within sixty (60) days its intent to purchase. City and Commission cannot exercise this right if it has approved an assignment or sale.</p>	<p>No such provision.</p>
<p>Section 10 (E) (9)---No sale or transfer in event of Grantee noncompliance, City and Commission retain right to enforce compliance even if noncompliance issues arise after approval.</p>	<p>No such provision.</p>
<p>Section 10 (E) (10)---Transfer or sale without City or Commission consent is considered impairment of performance.</p>	<p>No such provision.</p>

Protection of Individual Rights	
<p>Section 11 (A)---Discriminatory practices prohibited.</p>	<p>No such provision.</p>
<p>Section 11 (B) (1) (2) (3)---Grantee will provide the City and Commission with all documents, but not violate subscriber privacy. City and Commission reserve the right to question redactions. No monitoring of individual viewing patterns without the Subscriber's permission. No data on viewing patterns can be sold or made available to third party, without Subscriber's permission. No permission needed for system wide or individual electronic sweeps to verify system integrity and for billing purposes.</p>	<p>No such provision.</p>
Unauthorized Connections or Modifications	
<p>Section 12 (A) (B) (C)---No unauthorized connections or modifications are allowed by any person, group, government body, etc., without Grantee authorization. It is unlawful to remove or destroy any part of the system. Provides penalties for violation of this section.</p>	<p>No such provision.</p>

Miscellaneous Provisions	
<p>Section 13 (A)---Renewal will be performed in accordance with all laws for a term limited to fifteen (15) years.</p>	<p>Section 2.2 and 2.3---Franchise term of ten (10) years, all applicable laws apply.</p>
<p>Section 13 (B)---Work performed by third parties must comply with franchise, Grantee must provide notice of such third parties to City and Commission.</p>	<p>No such provision.</p>
<p>Section 13 (C)---Amendment of franchise by written agreement between Grantee and City. Retention of rights of City to amend as provided by law.</p>	<p>Section 10.5---Modification by written agreement between City and Grantee.</p>
<p>Section 13 (D) (1) (2) (3)---Compliance with all laws, any such laws affecting a certain section will not invalidate entire franchise, parties will negotiate to reconstitute any parts of the franchise to comply with all laws.</p>	<p>Section 10.4---Provides for severability of parts of the franchise in attempt to comply with law.</p>
<p>Section 13 (E) (F)---Grantee shall not be relieved due to non-enforcement of any part of the franchise. City and Commission retain all rights available and do not waive rights for failure to exercise any rights.</p>	<p>Section 10.7---Grantee does not waive rights under the franchise.</p>

<p>Section 13 (G)---Grantee acknowledges it has reviewed terms and conditions and their validity and the power of the City to set terms and conditions.</p>	<p>No such provision.</p>
<p>Section 13 (H)---Franchise is governed by the laws of Minnesota, disputes will be venued in Ramsey County District Court.</p>	<p>No such provision.</p>
<p>Section 13 (I)---Force Majeure.</p>	<p>Section 10.1---Force Majeure (includes work delays due to other utilities).</p>
<p>Section 13 (J)---The Commission and NSAC are deemed third party beneficiaries to the franchise.</p>	<p>Section 10.6---No rights to third parties.</p>
<p>Section 13 (K) (L)---Captions do not affect the meaning of the franchise. This franchise constitutes the entire agreement except for those enumerated in Section 2 (E).</p>	<p>Section 10.3---The franchise supersedes all previous documents.</p>
<p>Section 14---Terms for acceptance of the franchise and deliverables, such as Performance Bond, Letter of Credit, PEG Access Support Agreement with NSAC.</p>	<p>No such provision.</p>

In the Comcast Franchise Only

Section 3.2—Grantee will protect, alter, relocate, etc., lines on thirty (30) days written notice from City. If public funds are available to any other user of the ROW, City will notify Grantee of funds and make them available to the Grantee.

Section 5.3 (ii)— No such information request shall be initiated unless there is a reasonable basis for inquiring as to compliance, such as customer complaints about the subject matter of the inquiry, the failure to provide reports on the subject matter as required by other sections of this Franchise Agreement, or marketing or other communications from the Grantee indicating noncompliance.

Section 5.3 (iii)— In the interests of cost savings and efficiency, prior to serving an information request upon the Grantee, the City shall contact Grantee’s local representative to discuss the subject matter of concern to determine whether a prompt and informal solution is available (i.e., Grantee is able to satisfactorily explain why there is no violation or is willing to cure the alleged noncompliance).

Section 5.3 (iv)— To expedite the review process and to avoid prolonged disputes, prior to distributing or publishing the results of an the review, the City shall afford Grantee a minimum of 15 business days to review the draft results and to respond to the findings therein so that the reviewer may take into consideration any additional information Grantee provides.

Section 5.3 (v)— Grantee shall be provided with advance written notice of any meeting at which the results of the audit or review will be presented and shall be afforded an opportunity to respond to the results in writing and in person at any such meeting.

Section 5.4-- Procedures Required to Initiate Audit/Review or Information Request.
Because audits/reviews and information requests can be time consuming and expensive for the City and Grantee, prior to commencing a franchise fee or PEG fee audit or review or an information request as set forth in the subsections above:

- (i) The City staff or designee wanting to initiate the audit/review or information

<p>request shall present the proposed audit/review or information request to the City for approval. The proposal shall include the proposed inquiry document, the estimated costs of performing the audit or review, an explanation of the basis for the inquiry, and a representation that an attempt to resolve the inquiry informally with Grantee was made.</p> <p>(ii) Grantee shall have advance written notice of the meeting at which the above proposal will be presented and shall have the opportunity to address the proposal with the City prior to approval of the audit/review or information request.</p> <p>Section 5.5-- <u>Resolution of Disputes in Audits or Information Requests</u>. In the event of a dispute between the City and Grantee regarding the Grantee's production of responsive information or regarding the result of an audit/review or information request, the parties agree to first attempt to resolve the dispute in a direct discussion. Upon the failure of direct discussions, the parties shall mediate the dispute in nonbinding mediation before a jointly-selected mediator whose fee shall be split between the parties. If mediation is unsuccessful, the parties may thereafter pursue such other remedies and processes as may be available.</p>
<p>Section 6.1---Grantee needs consent of City for transfer, defined as 51% owner interest. No consent needed for intra-company transfers, including to secure indebtedness.</p>
<p>Section 9---“Competitive Equity provision” which requires the same terms of the franchise be applied to the new entrant.</p>
<p>Section 10.7---Grantee does not waive rights under the franchise.</p>
<p>Section 10.3---The franchise supersedes all previous documents.</p>
<p>Section 10.6---No rights to third parties.</p>

Note: The Comcast agreement also includes a “Competitive Equity provision” which requires the same terms of the franchise be applied to the new entrant.

Definitions

(included in each document)

<p>Section 1</p> <p>Actual cost. Affiliate. Basic Cable Service. Broadcast Channels. Cable Service. Cable System. Channel. City. City Code. City Council. Class IV Cable Channel. Commission. Converter. Drop. Educational Access Channel. FCC. Franchise. Governmental Access Channel.</p>	<p>Section 1</p> <p>Affiliate to not include certain entities.</p> <p>Commission.</p> <p>Effective Date.</p>
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Executive Summary of CBG Communications, Inc.'s

Report on the Technical Aspects of Comcast's Formal Renewal Proposal to the

North Suburban Communications Commission

CBG Communications, Inc.
Thomas Robinson, President
Dick Nielsen, Senior Engineer

May 7, 2014

EXECUTIVE SUMMARY

CBG Communications, Inc. ("CBG"), conducted a system technical review, consulting, and engineering services project evaluating Comcast's residential network, the Institutional Network ("I-Net") and Public, Educational, and Governmental ("PEG") Access signal origination, transport and signal distribution over the cable system and dedicated transmission links serving Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, Saint Anthony and Shoreview, MN ("Member Cities") comprising the North Suburban Communications Commission's ("NSCC") service area. CBG's findings and recommendations are fully described in our Final Report, "Evaluation of Comcast's Subscriber System, Evaluation of the Existing Institutional Network, Evaluation of PEG Access Signal Transport and Distribution" ("Technical Report"), dated July, 2013.

CBG also assisted the NSCC with its preparation of the Staff Report and Request for Renewal Proposal ("RFRP"). In addition to components that CBG was not specifically involved with, these documents included technical elements and functionality specifications required to meet the needs enabled by the subscriber network, the I-Net and PEG Access origination and transport network.

This Report was prepared by CBG at the request of the NSCC. In preparing this Report, CBG has reviewed the technical aspects of the formal Cable Television Franchise Renewal Proposal ("Renewal Proposal") of Comcast of Minnesota ("Comcast") in response to the NSCC's RFRP dated July 29, 2013. Our focus was on Comcast's responses to the RFRP related to system functionality and capacity as it pertains to Cable TV services (including the subscriber network, I-Net and PEG Access transport), system maintenance and overall system performance and the potential need for system upgrades over the course of a 10 year franchise agreement.

Our findings from our review and analysis of Comcast's Renewal Proposal are described in detail in the main body of this Report. Overall, CBG finds:

- Comcast's Renewal Proposal does not comply with a number of the system technical, PEG Access transport and I-Net provisions of the model franchise. In many cases, Comcast does not specifically respond to requirements of the RFRP in its Proposal. Because the requirements of the RFRP were not addressed, no conclusion can be made regarding the adequacy of Comcast's proposal in these areas. Comcast did not respond to many of the recommendations made in CBG's Technical Report, and therefore did not sufficiently respond to the needs

determined by the Commission as described in both the Staff Report and the Community Needs Assessment prepared by the Buske Group.

- Some of Comcast's responses echo a unilateral sentiment of "we will decide" without proposing to the Commission what it specifically believes will meet the NSCC's needs. As such, Comcast's proposal is nonresponsive in these areas and is inadequate.

In summary, Comcast's Renewal Proposal, in many respects, is not so much a proposal of what it will do from a technical perspective to meet the needs determined by the Commission, but rather a dictate of what it will not do. Further, where Comcast indicates it will meet some or a portion of the needs, it often will not describe how it proposes to do so. As such, Comcast's Renewal Proposal regarding many technical, I-Net and PEG Access signal transport matters is deficient and not reasonable.

Provision and Use of the Institutional Networks

Comcast has made it clear that it is not proposing to continue the existing fiber optic and HFC I-Net as built and maintained today. Comcast has proposed to continue the HFC I-Net for PEG Access video origination purposes only. Comcast also proposes to keep the existing fiber optic I-Net in place for PEG Access video origination purposes. However, Comcast has proposed that any utilization of the I-Net, outside of video origination, can only occur as a managed service whereby Comcast would charge a monthly recurring charge for use of the network and therefore Comcast would profit from non-video origination use of the I-Net.

During the current franchise, Comcast has enabled the NSCC and the Member Cities to use the I-Net for data transportation, in addition to using the I-Net for PEG Access video origination. Indeed, Comcast has installed equipment owned by Member Cities on the I-Net in order for this data transportation to occur. This arrangement dates back to when cable modem technology was in its infancy in the late 1990s and early 2000s and has continued through the more recent installation of Ethernet based equipment on the fiber optic I-Net.

CBG strongly believes that Comcast should continue to provide the I-Net for uses beyond PEG Access video origination, as well as for such video origination, as detailed in the Buske Report and in CBG's Technical Report. The I-Net has been in place for more than 14 years and has fulfilled data communication needs for the NSCC and its Member Cities for more than 14 years and needs to continue to do so.

CBG's Technical Report clearly states the need for the functionality of the HFC I-Net to continue, and for the HFC I-Net to be able to provide HD PEG Access signal transportation. However, the Report goes on to say that "the current HFC I-Net was upgraded over 12 years ago. However, the amplifiers in use date back to the 1980's. Some of these have been in operation for nearly 30 years. Replacement components are no longer made and it is likely that used replacement parts are difficult - to obtain. Therefore, we recommend that if this HFC I-Net is to be utilized going forward, these amplifiers be replaced, rather than hoping that over the course of a renewed franchise term of 10-15 years, they will continue to operate successfully and replacement parts will be available. CBG recommended that the current HFC I-Net be upgraded or that other forms of signal transportation, that would fulfill the need, be implemented. Comcast in its Proposal, however, merely states that:

"Comcast will provide transport of HD PEG programming over fiber where Comcast owned fiber facilities and capacity exist. Comcast will provide transport for SD PEG programming over any platform or facility of Comcast's choosing"¹.

Comcast also indicates that it has no plans to upgrade either the fiber I-Net or the HFC I-Net. These statements then do not address the technical needs identified and should be seen as an insufficient response.

Use of The Institutional Networks is Non-Commercial

Comcast indicated in its Proposal that the I-Net is currently used for commercial purposes. Comcast asserts that the City of Roseville sells I-Net services to other entities in a commercial agreement with those entities. This is simply not true. The City of Roseville works with other cities throughout the Twin Cities area in a cost sharing scenario. The agreement between these cities is for shared equipment and applications and does not include selling access to the I-Net or I-Net services. The Comcast I-Net is used at the discretion of each of the cities to interconnect the city with the shared applications provided by the Metro I-Net. This allows sharing of manpower, applications and equipment such as centralized servers. This also allows access to applications by larger cities at reduced costs and it allows for smaller cities to have access to applications that would not otherwise be cost effective for them.

¹ Comcast Renewal Proposal, page 59

Interconnection - PRISMA

Another technology based need that is supported in the Buske Report and CBG's Technical Report is that of interconnection with entities outside of the NSCC service area. Such interconnectivity exists today via a network labeled as the PRISMA network. This network provides interconnection of video services for entities outside of the NSCC service area to receive video programs from CTV and it allows CTV to use video from outside the NSCC service area. It also provides interconnection with other I-Nets for voice and data communications purposes and sharing between government and educational entities. Comcast, in its Proposal, has agreed with CBG that the current PRISMA Interconnect is in need of an upgrade. Comcast proposes to use its Converged Regional Area Network ("CRAN") to replace the PRISMA equipment.

However, Comcast only says it will replace the existing equipment at its headend and hubs and does not specify that CTV, the NSCC or member Cities can use it at no cost for all purposes. The Proposal states that

"But additional add/drop locations in the future will be billed (or credited) at \$1,675.80/month/location"².

There is no mention of an initial connection to the Interconnect and it is unclear as to whether the Interconnect can be used for data or only PEG Access video sharing with other entities.

QSI Report - I-Net Valuation

Comcast, in an effort to value the I-Net and to create a basis for charging the NSCC and its Member Cities for I-Net utilization, obtained a report from QSI Consulting, Inc. ("QSI") that places a value on the I-Net as it exists today. The QSI Report makes several incorrect assumptions as its basis for valuing the I-Net. First, QSI's Report uses examples from the Twin Cities and other locations throughout the Country to compare this I-Net to other largely commercial networks. Comparisons to commercial networks are inapplicable to the NSCC I-Net. The use of the NSCC I-Net is noncommercial and was built and maintained as a public benefit.

The second flaw in the QSI Report is that they include the cost to build other networks as a basis for what this network is worth. They assume that a monthly recurring cost to the users of the I-Net would need to include the recovery of construction costs.

² Comcast Renewal Proposal, page 83

Because the I-Net has been in place for at least 14 years and because Comcast and its predecessors recovered the cost to build the I-Net from its subscribers over the years, this cost should not be included in a costing model of the I-Net.

Therefore, the only cost, if anything, to the NSCC And Member Cities for utilization of the I-Net should be the cost of maintaining the I-Net over and above costs that would be incurred by Comcast to maintain their subscriber system.

System Inspection / Documentation and Repairs

CBG's technical Report documented a number of issues of non-compliance with the National Electrical Code (NEC) and the National Electrical Safety Code (NESC) on Comcast's cable TV system up to and including on buildings and homes in the NSCC area. CBG then recommended that the NSCC require Comcast to regularly inspect and document issues found on its cable TV system. In addition, the Report recommended that requirements for such inspections and documentation be included in any renewed franchise. This was embodied in the Staff Report that Comcast "provide a detailed inspection and repair plan that addresses these and all issues and code violations in the NSCC service area". Comcast provided a significant amount of discussion on its repair procedures in place today but it never specifically described an inspection and documentation plan.

System Upgrade Review

CBG's Technical Report stated that there may be a need to upgrade the system in the future to meet the cable related needs of the communities served by the NSCC. The report recommended that there be a mid-term review of the system in part to evaluate the ability of the system to meet the cable related needs of the community. In Comcast's Proposal, Comcast only states:

"Comcast does not propose any rebuilds or upgrades to the current system at this time, and does not propose new upgrades to the current institutional network."³

This makes it impossible to evaluate Comcast's system's ability to meet the needs of the community going into the future and the likelihood that Comcast will upgrade the system as needed. This becomes important as Comcast may continue to use more of its system's capacity for non-cable TV services diminishing the ability of the cable TV

³ Comcast Renewal Proposal, page 57

system from delivering the cable TV needs of the subscribers including the PEG programming.

EXECUTIVE SUMMARY

**REVIEW OF PUBLIC, EDUCATIONAL, AND GOVERNMENT (PEG) ACCESS
ASPECTS OF FRANCHISE RENEWAL PROPOSAL SUBMITTED BY
COMCAST OF MINNESOTA**

Prepared for
The North Suburban Communication Commission

May 7, 2014

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EXECUTIVE SUMMARY
REVIEW OF PUBLIC, EDUCATIONAL, AND GOVERNMENT (PEG) ACCESS
ASPECTS OF FRANCHISE RENEWAL PROPOSAL SUBMITTED BY
COMCAST OF MINNESOTA

I. INTRODUCTION/OVERVIEW

The North Suburban Communication Commission (“NSCC”), on behalf of its member cities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the “Member Cities” or individually a “Member City”) in July, 2013, issued a Request for Renewal Proposal (“RFRP”) to Comcast of Minnesota (“Comcast”). This report is a review of the public, educational, and government (“PEG”) aspects of the proposal submitted by Comcast in response to the RFRP.

Prior to issuing its RFRP, the NSCC, acting through its staff and retained experts on institutional networks and PEG access, undertook extensive research to identify the current and future community cable-related needs and interests of the NSCC member cities, their residents, business and community organizations, and educational institutions that serve the residents of the cities. The Buske Group (“TBG”) was retained to prepare a Community Needs Ascertainment by the NSCC, which review was included in the Staff Report and became part of the RFRP.

The NSCC, through its RFRP, sought a proposal that: (1) describes, in detail, what Comcast proposed to provide during a franchise term with respect to services, facilities and equipment; (2) demonstrates that Comcast satisfies community cable-related needs and interests and in a manner that will provide the benefits of cable communications technology to the residents, institutions, organizations, and businesses in the community, now and for any franchise term; (3) shows that Comcast is financially and otherwise qualified to hold a renewal cable franchise and to provide the services, equipment and facilities set forth in its proposal; (4) explains why Comcast believes that renewal is warranted in light of its past performance; and (5) complies with the requirements of Chapter 238 of Minnesota Statutes.

The format of this Executive Summary mirrors the format of the full report. Part II of this document is a review of key PEG elements of the proposal submitted by Comcast. This analysis does not attempt to analyze each and every PEG requirement in the RFRP, and whether Comcast has or has not complied with that requirement of the RFRP. This summary analysis concentrates on the key categories of PEG requirements and outlines Comcast’s level of compliance.

Part III of this Executive Summary summarizes the flaws in Comcast’s critique of the Community Needs Ascertainment activities undertaken by NSCC and points out serious flaws in Comcast’s own needs ascertainment methodology.

II. KEY PEG ACCESS ELEMENTS OF COMCAST'S PROPOSAL

This section summarizes the degree to which Comcast has complied with the primary categories of PEG access requirements contained in the RFRP.

Comcast has failed to comply with many of the PEG access and public service obligations contained in the RFRP. If implemented in accordance with Comcast's proposal, there will be a dramatic reduction of services and channels to the public, since many of the requirements, needs and interests identified in the Community Needs Ascertainment and RFRP are continuations of current funding and services being provided by Comcast, pursuant to the current franchise agreement and related settlements and other agreements with NSCC. Obviously, there are changes and upgrades identified in the RFRP requirements that would be logical, given the dramatic changes in technology and the public's use of video and media services since the current franchises were granted in 1999.

The Proposal submitted by Comcast is inadequate to meet the identified current and future community cable-related needs and interests of NSCC, its ten Member Cities, NSAC, the three public school districts that serve the residents of the Member Cities, community groups and organizations that provide community-related services, area businesses, and the residents of the Member Cities.

The series of tables on the following pages of this Executive Summary list key RFRP requirements and the degree to which the proposal submitted by Comcast complies with those requirements.

KEY PEG ACCESS TERMS	NSCC/CITIES RFRP REQUIREMENT	COMCAST FORMAL PROPOSAL
<p>Public, Educational, and Government (PEG) Channels</p>	<p>Maintain 8 existing SD Channels (p.31,39 ,etc.)</p> <p>Add 4 HD Channels (p.31, 39 ,etc.)</p> <p>Availability of additional HD and/or SD PEG channels (p.31, 39,etc.)</p>	<p><u>Noncompliant:</u> 3 SD channels available immediately (p. 71); trigger for a 4th SD channel; <i>"in no event will the total number of PEG channels exceed five regardless of the format in which they are delivered."</i> (p. 74)</p> <p><u>Noncompliant:</u> Only 1 HD channel with 3 months notice with trigger of 5 hours/5 days per week HD original programming is available. (p. 71)</p> <p>Only 1 additional SD PEG channel if NSCC documents that it meets MN Statute requirements; Applicant will have 3-6 months to provide this channel. (p. 74)</p>
<p>PEG Signal Quality and Functionality</p>	<p>Qualitative equivalence for PEG channels to highest quality local broadcast channel(s), including (but not limited to) HD. (p.32, 37, etc.)</p> <p>Simulcast SD and HD PEG channels as long as SD channels are available (p.32, 37, etc.)</p> <p>Permit on demand viewing of SD and HD PEG access programming and PEG data via the Applicant's on-demand platform. (p.34)</p> <p>Sufficient capacity for PEG channels to utilize new technologies such as 4K or 3D (p.31, 37, etc.)</p> <p>PEG capacity to enable the transmission of closed captions, video descriptions, SAP content and multiple audio channels/streams. (p.32, 33, etc.)</p> <p>Interactive capability and VOD for PEG; server storage for free on-demand viewing of PEG (p.33, 34, etc.)</p> <p>Ability to narrowcast government content to different cities on single channel (currently occurs on Channel 16) (p.39)</p>	<p><u>Noncompliant:</u> PEG channels will be provided an acceptable signal consistent with FCC standards. No specific commitment to qualitative equivalence. (p. 71-72, etc.)</p> <p><u>Noncompliant:</u> Not addressed and not offered.</p> <p><u>Noncompliant:</u> No PEG VOD.</p> <p><u>Noncompliant:</u> No offer of 4K or 3D or access to new technologies.</p> <p><u>Noncompliant:</u> No offer of these services or capabilities on PEG channels.</p> <p><u>Noncompliant:</u> Comcast does not propose interactive or video-on-demand capability for PEG channels.</p> <p><u>Noncompliant:</u> Not addressed in proposal.</p>

KEY PEG ACCESS TERMS	NSCC/CITIES RFRP REQUIREMENT	COMCAST FORMAL PROPOSAL
<p>PEG Channel Locations</p>	<p>PEG SD channels on basic tier. (p.32) PEG HD channels on lowest cost HD tier. (p.32) Grouped PEG channels – SD channels on lowest cost SD tier and HD channels grouped on lowest cost HD tier (p.32) Changes in channel numbers may only occur to comply with federal law, and must have prior approval of NSCC. In the event of changes, all costs must be borne by Applicant. (p.32-33)</p>	<p>All PEG channels on basic-tier of service. (p. 71-72) <u>Noncompliant:</u> No indication as to whether PEG HD channels will be on the lowest cost HD tier. <u>Noncompliant:</u> PEG channels will remain in reasonable proximity to one another (p. 72; also addressed on p. 73-4). No differentiation of SD or HD channels. <u>Noncompliant:</u> Channel numbers generally anticipated to be consistent with current PEG channel numbers (p.71). No guarantee of permanent assignment of PEG channels. Will reimburse up to \$1,500 for costs and provide assistance with notifications to customers for channel number changes. (P. 72)</p>
<p>PEG Channel Program Listings & Information in Guides</p>	<p>Full PEG Channel listings on Interactive Program Guide. (p.38, 42, etc.) No charge to entities managing PEG channels. (p.38, 42, etc.)</p>	<p><u>Compliant:</u> PEG Channels on Interactive Program Guide. Narrowcasting to a multiple communities on the same channel is not possible. <u>Noncompliant:</u> NSAC must pay for charges to get program on IPG.</p>
<p>PEG Signal Transport and Linkage of PEG Access Origination Locations, PEG Access Facilities and the Headend</p>	<p>Provide capacity on I-Net (& associated equipment) for video signal transport from various locations in NSCC member cities, Ramsey County, NSAC at no cost. (p.35, 42, etc.) Bi-directional HD/SD feed (& associated equipment) between Comcast headend NSAC master control. (p.35, 36, etc.)</p>	<p><u>Noncompliant:</u> Comcast agrees to provide portion of I-Net currently used for PEG purpose (estimated at 8%). Comcast to charge its estimated value of that against its proposed capital contribution. No offer of any funding for equipment for video signal transport other than funds included in its proposed capital contribution. Comcast proposes no upgrades to the I-Net capabilities for PEG purposes. Comcast proposes to "provide transport of HD PEG programming over fiber where Comcast owned fiber facilities and capacity exist. Comcast will provide transport for SD PEG programming over any platform or facility of Comcast's choosing." ... "To the extent the NSCC requires PEG-related capital equipment upgrades to enable HD PEG-signal transport, or additional network capacity, the NSCC can seek funding for such upgrades and network capacity from the member cities utilizing the PEG capital funding that Comcast is committing to provide directly to the member cities." (P. 59) (See CBG Report for details.)</p>

KEY PEG ACCESS TERMS	NSCC/CITIES RFRP REQUIREMENT	COMCAST FORMAL PROPOSAL
<p>PEG Access Channel and Community Media Center Designated Access Providers</p>	<p>NSCC reserves right to designate entity(s) to manage PEG access channels and facilities. (p. 34, etc.)</p>	<p><u>Compliant:</u> Comcast agrees to cooperate with PEG channel manager(s) designated by NSCC.</p>
<p>PEG Capital Funding</p>	<p>Total PEG capital funding for 10 municipalities and NSCC/NSAC over franchise term: \$14,160,740. This amount is to be allocated over the life of franchise per the RFRP. (p.65, 67, etc.)</p> <p>PEG support to be provided to NSCC and NSCC distributes equipment and/or funding to each member city. (p.65, 67, etc.)</p>	<p><u>Noncompliant:</u> Total amount in proposal \$3,247,830. Comcast only proposes to provide a portion of costs for equipment needed in Council Chambers/control rooms for municipalities over the life of the franchise, and NO support for public and educational access equipment needs as those needs are met by NSCC/NSAC. (p. 71-72, etc.)</p> <p><u>Noncompliant:</u> Comcast proposes to provide funding to each City and no funding directly to NSCC. (p. 79)</p>
<p>PEG Services Grants</p>	<p>Annual operating grants requested for 10 municipalities and NSCC/ NSAC over franchise term estimated to be \$13,558,130. Comcast's current franchise agreement/ordinances (as amended) and various MOUs and agreements include PEG support other than capital grants and funding. (p. 38)</p>	<p><u>Noncompliant:</u> Comcast offered no funding or support for the use of the PEG facilities above franchise fees.(p. 76)</p> <p>Comcast's position is that anything they would propose other than capital funding must be a part of the 5% franchise fees</p>
<p>Complimentary Cable Drops & Services</p>	<p>Free cable drop, outlet, cable service, and all terminal equipment necessary to receive all subscriber service tiers for NSCC/NSAC offices, studio facility, each Member City and Ramsey County government bldg. (including but not limited to police, sheriff & fire stations), public schools, public library (including multiple connections for multiple locations belonging to a given department or agency).(p. 70-71, etc.)</p>	<p><u>Noncompliant:</u> "Comcast will provide complimentary basic cable service via one drop to one outlet at each of the educational and municipal locations listed in Attachment A. Comcast will provide three complimentary digital devices at each such location if necessary to view the basic cable service. Service to additional outlets at each location may be purchased by the City." (CPFA p. 10-11, Section 7.8) Comcast indicates it will not provide free HD equipment to customers, including complimentary municipal and educational accounts (Section 7.4 [iv]).</p>

III. RESPONSE TO COMCAST'S CRITIQUE OF COMMUNITY NEEDS ASCERTAINMENT

Comcast's critique of the Community Needs Ascertainment report criticizes the methods undertaken by TBG to gather public input. TBG conducted a telephone survey, five focus groups, a survey of the focus group participants, an on-line survey of area residents, and small group interviews with I-Net and PEG access stakeholders. These activities provided opportunities for all residents of the NSCC franchise area, people who work but do not reside in the area, and individuals with first-hand knowledge of and experience with the I-Net and PEG access resources to offer their input regarding a number of cable-related matters. This expansive approach to public input is essential in that the Cable Act points out that the franchise renewal process should "*afford the public in the franchise area notice and participation.*"

Comcast also criticizes the conclusions regarding existing PEG Access and Institutional Network resources that were based upon the consultant's: (1) on-site inspections of the PEG access facilities; (2) examination of detailed inventory and operations documents; (3) discussions with and input from PEG access and I-Net staff and/or stakeholders; and (4) decades of experience in this field.

Comcast's consultant, Talmey-Drake Research and Strategy, Inc., prepared a critique of TBG's research and conducted a telephone survey that it argues is superior to the telephone survey conducted by Group W Communications on behalf of NSCC. *It is important to note that Talmey-Drake's telephone survey of cable subscribers was the only reported activity undertaken by Comcast to ascertain the cable-related needs and interests of the public in the NSCC franchise area.*

Unlike Comcast's limited effort to obtain public input, the TBG community needs ascertainment activities sought and obtained input from elected officials and other representatives of the Member Cities' local governments; teachers and other individuals associated with educational institutions in the franchise area; representatives of nonprofit, civic and community organizations; leaders of health and human service organizations and agencies; members of area arts, cultural, and heritage organizations; local business leaders; PEG access and I-Net staff and/or stakeholders; current Comcast subscribers; and residents who are currently not (or have never been) Comcast cable subscribers.

Talmey-Drake's critique relies heavily on advocacy-oriented value judgments, unsubstantiated assumptions, double standards, and frequent hyperbole. In addition, some elements of the Group W telephone survey that were severely criticized by Talmey-Drake appear in very similar form in the telephone survey conducted by Talmey-Drake.

1. Talmey Drake claims that the Group W survey is "*fatally flawed*" because "*the sample did not include cell-phone-only respondents*". Group W complied with the federal law that prohibits use of automatic dialing systems to contact a cell phone number without prior consent. Survey research professionals have also raised many other concerns about the use of cell numbers in their work. Given

budget, legal and other real world considerations, it was appropriate for Group W to conduct the survey as it did.

2. Talmey-Drake implies that the Group W survey report did not include what it believes is sufficient methodological detail, and states that this negates "*the trustworthiness of the survey and the professionalism of the expert who is presenting the results of the survey.*" This criticism is not supported by standard industry practice.
3. Talmey-Drake added in respondents who were not asked a particular question to minimize survey results that show support for community access services and programming. It is inappropriate and misleading to calculate a result that includes people who were not asked a question and call it the "total sample response."
4. One example of the double standards employed by Talmey-Drake: A Group W survey finding that 72.5% of respondents said it was "Very Important" or "Important" to have local cable programming is belittled by Talmey-Drake as "*not particularly high.*" But it states that its survey finding that 69% of customers say they are very or somewhat satisfied with cable service shows that customer satisfaction is "*solid.*"
5. Talmey-Drake's critique contains several statements that involve unfounded assumptions, including:
 - a. Talmey-Drake states that if CTV programs were rated using the same methods as commercial channels, "*their ratings would barely be infinitesimal.*" It is impossible to know what the ratings of the CTV programs would be under that scenario, since national ratings firms like The Nielsen Company have never included community access channels in their ratings.
 - b. Talmey-Drake states that if a respondent says he is very interested in watching local sports, "*he may well be imagining a production level on par with NFL games, but when he actually sees a televised local game it is anything but NFL quality play or production and he loses interest.*" Talmey-Drake simply assumes that CTV's award-winning local sports productions are poorly produced, an inappropriate assumption that is easily refuted.
6. Talmey-Drake says the Group W survey is "flawed" because, unlike Talmey-Drake's survey, quotas were not enforced to select respondents based upon their gender, level of cable service, and geographic location. One could ask, why not also enforce requirements for age, income and ethnic distribution? At what point of "enforcing" requirements does a random sample cease to be random?
7. Rather than asking about the importance of the CTV channels directly (as the Group W survey did), Talmey-Drake simply assumes that weekly viewing amounts are a valid "*indication of the importance of community access channels.*" Weekly viewing amounts have no substantiated relationship to the perceived "importance" of community access channels. These reported weekly viewing amounts could be related (for example) to the fact that unlike the other

channels on the Comcast line-up, Comcast's on-screen program guide includes no information about upcoming programs on the CTV channels.

8. Drawing upon Talmey-Drake's misleading interpretation of its survey results, Comcast proposes to significantly reduce the number of PEG access channels in the NSCC franchise area (saying that this "*strengthens*" them). Actually, a 44% plurality of Talmey-Drake survey respondents said that Comcast should keep the current number of community access channels (another 3% said to add more) -- as compared to only 26% who said to cut them back at all. Only 12.9% of the Talmey-Drake survey respondents supported a reduction in the number of community access channels as proposed by Comcast.¹
9. Talmey-Drake repeatedly asserts that responses to its survey questions show that cable subscribers are not inclined to support local programming financially. However, Talmey-Drake's questions imply (or state outright) that customers must pay all of Comcast's PEG access-related costs, since that is allowed by federal law. It should be noted that just because the federal law allows one to do something, this does not mean that it must be done.
10. Talmey-Drake carefully words its description of various types of programming services, as it attempts to "measure" the importance of receiving these services in high-definition (HD). A purposely-vague and boring definition of community access programming is included, stating only one example: "*meetings*." The responses lead Talmey-Drake to conclude that having the community access channels offered in HD is the "least important." A follow-up question regarding the acceptable amount to pay for these channels in HD is also very misleading, since it implies that HD channels are purchased on a per-channel basis.
11. Finally, Talmey-Drake includes similarly biased questions about having community access programming available On Demand, weighing down this option with this loaded wording: "***your local government may require the cable company to set aside additional capacity so that you can also watch past meetings of your local city government....***" The bias is compounded with a statement that "*Making past city council meetings available On Demand will mean fewer channels will be available for watching other types of regular, non-access cable programming or movies On Demand....*" This is simply not true.

The Talmey-Drake critique also dismisses the legitimacy of the contributions from those who participated in the other community needs ascertainment activities that TBG conducted (five focus groups, an on-line survey of area residents, and small group interviews with PEG access and I-Net stakeholders). A variety of methods were used to invite the public to participate in these activities, including notices on websites, emails to residents and stakeholders, press releases to area media outlets, flyers posted at locations throughout the franchise area, and newspaper advertisements. Talmey-Drake complained

¹ Talmey-Drake only asked a question about the desired number of *community access channels*, willfully deciding not to ask a question about the desired number of channels dedicated to any other type of programming (e.g., *sports programming*, which currently occupies 44 channels on Comcast's line-up).

that some participants were not cable subscribers, a small number of participants worked in but do not reside in the NSCC franchise area, random sampling was not used to restrict participation, and the views of the I-Net and PEG access stakeholders were tainted by the fact that they “*appear to have a vested interest in I-Net and PEG access.*”

In response, we note that: (1) non-subscribers in the area have a right to participate in a process that considers the community obligations of a private commercial firm to use public rights of way; (2) people who do not reside in the area but work there may have work-related reasons to use the I-Net and PEG Access resources, and therefore can provide meaningful feedback; and (3) the direct experience of I-Net and PEG access stakeholders can result in valuable comments and suggestions, based upon their actual use of these resources. Using the logic associated with Talmey-Drake’s criticism of these participants, one could conclude that opinions and proposals of Comcast representatives regarding franchise renewal elements should also not be considered as legitimate, due to the “*vested interest*” of Comcast in negotiating an agreement that is compatible with Comcast’s desired outcomes.

Again, it is important to point out that the Cable Act invites franchising authorities to establish a franchise renewal process “*which affords the public in the franchise area appropriate notice and participation for the purpose of (A) identifying the future cable-related community needs and interests, and (B) reviewing the performance of the cable operator under the franchise during the then current franchise term*” (emphasis added).

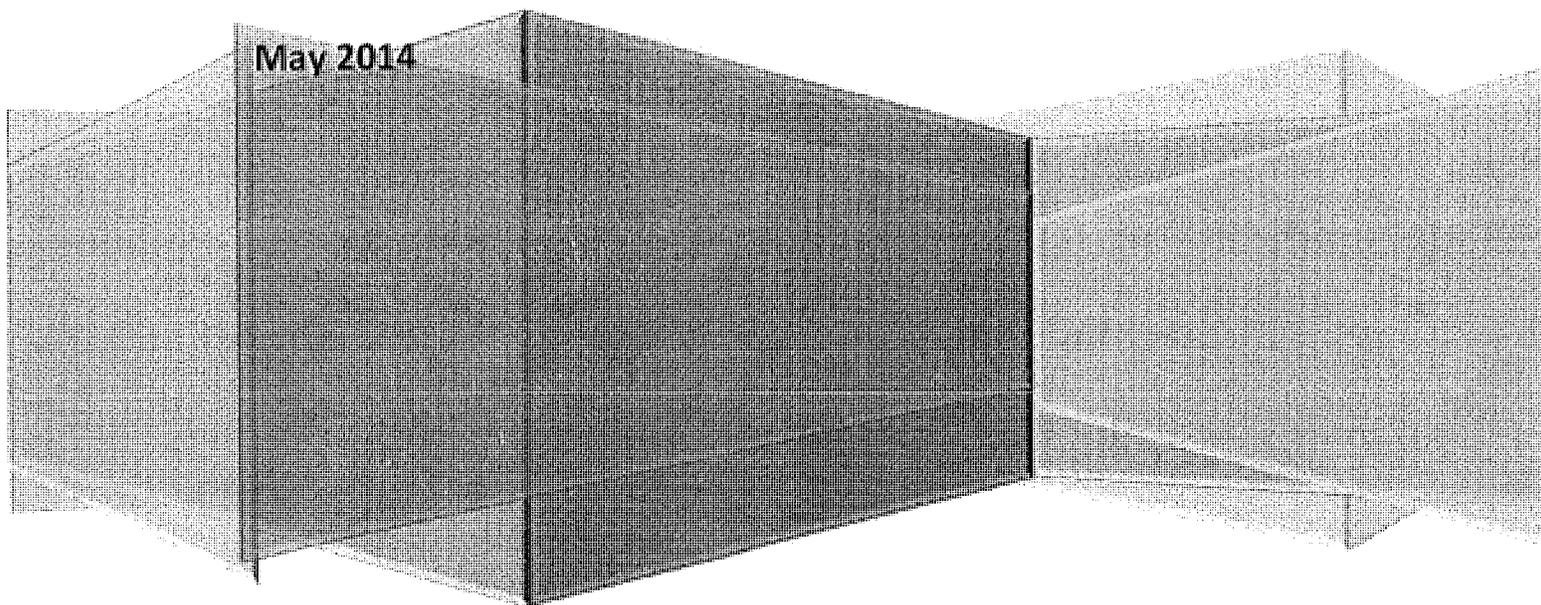
It should also be noted that the language of the Cable Act does not: (1) dictate the nature and suitability of the public input activities to be undertaken; (2) restrict participation in the public input process to cable subscribers (note that the Cable Act states “*...affords the public in the franchise area...*”); or (3) require every aspect of the public input process to be conducted in accordance with strict adherence to survey research methodology.

Front Range Consulting, Inc.

Executive Summary FRC's Review of Comcast's Formal Renewal Proposal

By Richard D. Treich

May 2014



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Executive Summary

Front Range Consulting, Inc. ("FRC") was retained by Bradley & Guzzetta, LLC ("B&G")¹ to review the Comcast of Minnesota, Inc.'s ("Comcast") response to the Request for Renewal Proposal ("RFRP") issued by the North Suburban Communications Commission and for FRC to identify any issues and concerns it has with the Comcast proposal. The North Suburban Communications Commission (the "NSCC" or the "Commission") is a municipal joint powers consortium organized by Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony and Shoreview, Minnesota (individually, a "Member City" and, collectively, the "Member Cities") pursuant to Minn. Stat. § 471.59, as amended, to administer and enforce cable franchises awarded by the Member Cities. Comcast responded to the RFRP on December 20, 2013 ("Proposal") with a lengthy submission and numerous exhibits.

Review Methodology

FRC has reviewed the Proposal by determining the extent to which Comcast as met the needs and interests contained in the RPRF and associated exhibits primarily from a financial viewpoint. The relevant provisions of the Communications Act (47 U.S.C. 546) states:

(c)(1) Upon submittal by a cable operator of a proposal to the franchising authority for the renewal of a franchise pursuant to subsection (b), the franchising authority shall provide prompt public notice of such proposal and, during the 4- month period which begins on the date of the submission of the cable operator's proposal pursuant to subsection (b), renew the franchise or, issue a preliminary assessment that the franchise should not be renewed and, at the request of the operator or on its own initiative, commence an administrative proceeding, after providing prompt public notice of such proceeding, in accordance with paragraph (2) to consider whether--

(A) the cable operator has substantially complied with the material terms of the existing franchise and with applicable law;

(B) the quality of the operator's service, including signal quality, response to consumer complaints, and billing practices, but without regard to the mix or quality of cable services or other services provided over the system, has been reasonable in light of community needs;

(C) the operator has the financial, legal, and technical ability

¹ Bradley & Guzzetta, LLC has recently changed its name to Bradley Hagen & Gullikson, LLC.

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to provide the services, facilities, and equipment as set forth in the operator's proposal; and

(D) the operator's proposal is reasonable to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.

FRC primarily focused on subsection (D) above where the proposal needs to be evaluated "taking into account the cost of meeting such needs and interests." The legislative history provides further insights to this "cost" standard where it states "[i]n assessing the costs, the cable operator's ability to earn a fair rate of return on its investment and the impact of such costs on subscriber rates are important considerations."² The RFRP contained numerous requirements to address the costs of the identified needs and interest with respect to the financial impact on Comcast and the impact on subscriber rates.³

Issues Identification

FRC has identified five issues with the Proposal. Those issues are:

- Complete lack of any financial projections to compare the RFRP requirements to the potential earnings by Comcast and the impact on subscriber rates in the NSCC franchise area.
- Lack of any recognition and financial credit that the current I-Net construction costs have been fully and completely paid for by NSCC subscribers.
- Lack of any recognition that Comcast has improperly recaptured valuable analog spectrum from the NSCC and will be able to use that recaptured spectrum for its own money-making purposes without compensation to the NSCC and the subscribers.
- Comcast has proposed that the NSAC be required to use its reasonable reserves accumulated by the NSAC to cover future NSAC operating and capital requirements that will place the NSAC in an exposed financial position which could potentially lead to a financial collapse of the NSAC.
- Comcast repeatedly complains that operating support cannot be required by the NSCC/NSAC but fails to acknowledge that the Cable Act allows the cable operator to voluntarily offer operating support. Given the public support for the NSAC's programming, Comcast should have volunteered to pay operating support to the NSAC as part of its proposal. In a recent development, Comcast has agreed to extend a

² See H.R. REP. NO. 98-934, at 74 (1984), as reprinted in 1984 U.S.C.A.N. 4655, 4656.

³ See e.g., RFRP Form III.F.

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current franchise agreement for a minimum of two years while informal negotiations are taking place. The extension continues a capital and operating support PEG commitment that is greater than the current NSCC PEG agreement and drastically larger than Comcast's proposal.

FRC will summarize each of these five issues below.

Financial Projections

Form III attached to the RFRP contained a listing of the financial information and projections that were required as part of Comcast's Proposal. Form III.F contained requirements for *pro forma* financial projections by Comcast. The specific requirements⁴ are:

The Applicant shall furnish tables following the format below and provide the requested *pro forma* projections for the Applicant's operations in the Member Cities for the proposed franchise term (see Form XI), assuming a franchise for the City is awarded on January 1, 2014.⁵ If the system's assumed revenues or expenses will reflect an allocation of assumed expenses or revenues for some other entity (including, but not limited to, overhead allocations and management fees), *pro forma* projections for such other entity should be provided as well. The *pro forma* projections should include approximately the same line-item level of detail indicated on the attached forms, but particular details of presentation may differ if the Applicant believes that alternatives are more appropriate given its internal accounting practices. Key assumptions supporting the projections should be documented and submitted as notes to the *pro formas*. In particular, assumptions regarding system modifications, PEG and institutional network requirements, franchise fee expenses, and any other franchise requirements should be clearly identified and treatment of associated costs or revenues in the financial projections should be highlighted or explained.

Financial *pro formas* must be based upon RFRP requirements. If the application deviates from those requirements, submit separate and additional *pro formas* showing the financial impact of each difference.

Comcast response⁶ was:

As shown by the NSCC staff's own report and the public filings of Comcast's corporate parent, Comcast's financial capability to perform is not in question. Comcast objects to the demands in this section for that reason, and also because the questions below are

⁴ RFRP Form III, page 101.

⁵ The NSCC recognizes that all franchises for the Member Cities will not be awarded on January 1, 2014. This date has been selected for purposes of convenient analysis.

⁶ *Proposal*, page 47.

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burdensome, and unnecessary to evaluate Comcast's overall financial capabilities. Moreover, due to rapid and ongoing changes in technology and the cable industry, Comcast would be otherwise unable to make reliable pro forma financial projections for the life of a 10-year franchise. Nevertheless, to try to accommodate this request, Comcast has supplied a 3-year history as Exhibit 13 and subscriber information as Exhibit 16.

Further, with regards to the financial projections of each year of the proposed term of the franchise, they simply referred to this response above. As such there is no data provided by Comcast that will allow any measurement of impact of meeting the future cable related needs and interests.

Also Form III.D asked Comcast for information about its financial goals including historical rate of return on investment. Comcast's response⁷ was:

Overall financial goals for the member cities' systems are to provide a reasonable return on existing and newly invested capital, commensurate with the anticipated risks of the business and the required returns of the capital markets. Since business and market risks change over time with the economy and as competition and technology rapidly increase, Comcast has not established a stated rate of return for the system.

Actual financial returns will always be dependent upon satisfying customers with an array of service offerings delivered in an economically efficient manner. Financial returns do and will vary across cable systems as a result of competition, market characteristics, regulation, and system efficiencies.

Without the required historical and *pro forma* financial data include data on subscriber rates and Comcast's financial goals like return on investment, Comcast has not presented any evidence that would suggest that the RFRP requirement would be overly burdensome on subscribers and would not meet Comcast's financial goals. Quite to contrary, Comcast avoids addressing the fact that PEG obligations are subscriber pass-throughs and will have no impact on the financial results of Comcast. Based on FRC's analysis of subscriber rates in the NSCC franchise areas, PEG fees historically assessed to subscribers have risen at a much smaller rate of increase than has the cable rates under Comcast's control.

FRC has noted that the Proposal has improperly attempted to use the FRC *Financial Analysis of Comcast Corporation*⁸ as some sort of endorsement of Comcast financial capability to operate the cable system. The financial report was not meant to assess the financial capability of Comcast but was, as shown in the report, an attempt to ascertain the level of profitability that Comcast generates in the franchise area. With the level of profitability estimated, Comcast

⁷ Proposal at 45.

⁸ See Attachment D to the RFRP.

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could easily invest these profits in the NSCC franchise area by providing the level of capital and operating support contained in the RFRP and/or reducing the pass-through burden on the subscribers and still return significant profits to the corporation.

I-Net Facilities

Comcast has rejected the RFRP requirement to basically maintain the current HFC and fiber I-Net and has instead suggested that the I-Net would only be maintained for only PEG transport and that the balance of the use of the I-Net will be based on "fair-market value."⁹ As an initial matter, Comcast is incorrect that the Cable Act limits the use of an I-Net to only PEG transport.

Again referring to the legislative history of the 1984 Cable Act, it is clear the Congress intended PEG requirements to be separate and distinct from I-Net requirements. The legislative history concludes:

A franchising authority, under 611(b), may require as part of its request for proposals the number of channels that an operator must set aside for public, education or governmental use.

Subsection 611(b) also permits franchising authorities to require that channel capacity on institutional networks be designated for educational or governmental use. The term "institutional network" means a communication network which is constructed or operated by the cable operator and which is generally available only to non-residential subscribers.¹⁰

FRC believes it is clear that PEG needs are separate from I-Net needs based on this legislative history and therefore should reject Comcast unsupported position. Comcast I-Net proposal unfairly restricts the needs of the franchising authority. Comcast also fails to consider that the full construction costs (as determined by the cable operator) of these I-Net facilities have been fully recovered from subscribers as part of the PEG fee included in Comcast's regulated service rate. For Comcast to now re-take these paid for I-Net facilities and subsequently charge the NSCC/NSAC for these services at market based rates will allow Comcast to earn a profit on these fully paid for I-Net facilities. Such a self-serving proposal does not meet the needs and interests of the subscribers in the NSCC franchise area.

⁹ Proposal at 10.

¹⁰ See H.R. REP. NO. 98-934, at 46 (1984), as reprinted in 1984 U.S.C.A.N. 4655, 4656.

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Analog Spectrum

The current franchise agreement with Comcast allows the NSCC to use/program eight (8) analog channels on the basic tier.¹¹ When Comcast converted all of the analog channels to a digital format last year, Comcast was able to re-capture a significant amount of bandwidth on the system. According to the 2014 FCC Form 1240 filed with the NSCC, the Basic service tier contains thirty-two (32) channels. If you assume conservatively that six (6) digital channels can be placed in the space of one analog channel, Comcast was able to recapture approximately twenty-six (26) analog channels with this digital conversion. This allows Comcast to reprogram these re-captured twenty-six channels and with an assumed six digital channels for each analog channel re-captured, Comcast would be able to add one hundred and fifty-six (156) new digital services. The programming value of those new channels is quite significant. Additionally, Comcast might be able to use this re-captured analog spectrum to provide faster internet speeds by bonding channels together and/or offer new services like home security services.

Additionally and more importantly, the re-captured analog spectrum assigned to the eight (8) PEG channels has potentially violated the current franchise agreements in the franchise area. Assuming a reasonable valuation technique, FRC has estimated that the value of these lost analog PEG channels has a value to Comcast of approximately \$1,250,000 annually. Comcast in its proposal has not considered the lost value of these re-captured analog PEG channels. Without this consideration, Comcast will be unfairly able to enrich its profits from the current system by not compensating the NSCC for this franchise violation.

Operating Reserves

Comcast has proposed that the NSCC/NSAC use some of its current reserves to offset capital and operating costs on a going forward basis. The E-Consulting Group Report (ECG)¹² completely mischaracterizes the reserves held by the NSCC and NSAC. ECG improperly lumps the NSCC and NSAC's reserves together. The NSCC's reserves are generated solely by operating reserves funded by the franchise fees provided by the member cities, not any reserves generated from PEG funding and therefore should not be used to fund NSAC needs. From the \$2.1 million discussed in the ECG Report, over \$400,000 pertains to the NSCC, leaving a balance of over \$1.7 million for the NSAC.¹³ Again improperly suggesting, ECG would have the NSAC use these reserves to fund future capital purchases without recognizing that approximately \$100,000 of that so called NSAC reserve in the NSAC's checking account used to pay its monthly bills which should not be depleted under any reasonable theory. Also included in the so called reserves is a required deposit that the NSAC must maintain in the bank as part of its lease letter

¹¹ The current franchise agreements actually call for 12 channels but the NSCC has returned 4 of those channels back to Comcast already.

¹² Exhibit 2 to the *Proposal*.

¹³ Included in this \$1.7 million reserve amount is over \$400,000 of deferred revenues which cannot be considered a "reserve."

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of credit requirement. Finally, it would be financially imprudent for the NSAC to not maintain approximately a six month reserve of its annual budget as set forth in non-profit guidelines. The ECG "recommendation" completely misunderstands the financial reserves that the NSAC has prudently incurred during this franchise term and using any of these funds would be detrimental to the NSAC on a going forward basis to purchase future expenditures.

The result of this ill-advised recommendation by ECG to use these reserves for future expenditures would place the NSAC in an exposed financial position that could lead to the collapse if the NSAC unless that is the end result the Proposal is attempting to suggest. These reserves have been prudently incurred under the expiring franchise and memoranda of understanding and should not be used to offset future capital and operating support obligation. Most importantly, these funds are not Comcast funds but rather funds provided by subscribers and to be prudently used by the NSAC.

Operating Support Payments

From the very onset of the Proposal, it suggests that operational support contributions are unlawful.¹⁴ The FCC has made it very clear in 1999 that a cable operator is free to make voluntary operating payments as part of a franchise agreement. In the letter ruling issued on June 25, 1999, the FCC added the following modification and clarification:

The legislative history explains that "Subsection 622(g)(2)(C) establishes a specific provision for PEG access in new franchises. In general, this section defines as a franchise fee only monetary payments made by the cable operator, and does not include as a "fee" any franchise requirements for the provision of services, facilities or equipment. As regards PEG access in new franchises, payment for capital costs required by the franchise to be made by the cable operator are not defined as fees under the provision. These requirements may be established by the franchising authority under Section 611(b) or Section 624(b)(1). In addition, any payments which a cable operator makes **voluntarily** relating to support of public, educational and governmental access and which are not required by the franchise would not be subject to the 5 percent franchise fee cap." See H.R. Rep. No. 98-934 at 65 (1984) reprinted in 1984 U.S.C.C.A.N. 4702; see also 1984 U.S.C.C.A.N. at 4753 (Colloquy between Rep. Wirth and Rep. Bliley). (Emphasis added).

Based on the well documented needs and interests in the franchise area, the Proposal should have agreed to provide, at a minimum a voluntary payment, for the operational needs and interests identified in order to allow the NSCC to continue to provide the services that were confirmed by the Ascertainment Report.

¹⁴ See e.g., *Proposal* at 1.

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Recently Comcast has agreed to resolve the same 6 MHz issue discussed above with the Ramsey Washington cable commission by agreeing to provide an HD PEG channel now and has agreed to continue the same capital and operating support payments for approximately two years while the commission negotiates an informal renewal with Comcast and potentially longer as negotiations continue. The current PEG capital and operating support payments in the Ramsey Washington area are similar if not greater than the current NSCC capital and operating support payments. It would seem logical that the suggestion that the current PEG capital and operating support payments are impacting subscriber retention and acquisition has been dismissed by Comcast as part of that settlement agreement with the Ramsey Washington cable commission.

Conclusion

FRC has concluded that the Proposal falls woefully short on the required financial information contained in the RFRP that is necessary to assess the impact on Comcast earned rate of return and any impact on subscriber rates. FRC believes that many of the modifications contained in the Proposal from the RFRP would likely allow Comcast to increase its profitability in the franchise area and the reduction of services provided by the NSCC/NSAC. The Proposal has not considered the already paid for I-Net and the impact of the recapture of analog PEG spectrum which will both allow Comcast to earn additional profits. The Proposal has suggested a use of the reserves that will place the NSAC in a venerable financial position and should have considered the operating payments to be, at a minimum, a voluntary payment.

ATTACHMENT 1, EXHIBIT B

RULES FOR CONDUCTING ADMINISTRATIVE HEARING FOR COMCAST OF MINNESOTA, INC., FRANCHISE RENEWAL

Section 1. The Commission hereby establishes procedural guidelines for purpose of the administrative hearing under the Cable Communications Policy Act of 1984 as follows:

A. The Commission shall appoint an administrative law judge (“hearing officer”) to conduct the administrative hearing and issue recommended findings of fact for consideration by the Commission. Comcast and the Commission will jointly determine the process for selecting an administrative law judge, if necessary. The administrative hearing will be conducted, to the extent practicable and consistent with the requirements of the Cable Communications Policy Act of 1984, pursuant to the provisions for administrative hearings in the Minnesota Administrative Procedures Act. The specific requirements for the administrative hearing shall be as follows:

B. Pre-hearing Discovery:

- (1) Each side is permitted limited requests for production of documents and twenty (20) interrogatories. With respect to interrogatories, the following rules apply:
 - (a) Interrogatories are to be answered by any officer or agent of either party, who shall furnish such information as is available to the party; and
 - (b) Each interrogatory is to be answered separately and fully in writing under oath, unless it is objected to, in which event the objecting party shall state the reasons for the objection and answer to the extent that the interrogatory is not objectionable. All objections shall be stated with specificity and any ground for objection which is not stated in a timely manner is waived unless the party’s failure is excused by the Commission for good cause shown; and
 - (c) Interrogatories will be answered within the timeframe established by the hearing officer;
- (2) No depositions shall be permitted.
- (3) The hearing officer will rule on all discovery disputes which may arise.
- (4) Discovery shall close fifteen (15) days before the administrative hearing.

C. Pre-hearing Disclosures:

- (1) Each side shall disclose to the other the identity of any person who may be used at the hearing to present expert testimony prior to the hearing date. The disclosure must be accompanied by a written report prepared and signed by the expert which shall contain a complete statement of all opinions to be expressed and the basis and reasons therefore; the data or other information considered by the expert informing his or her opinions; and any exhibits to be used as a summary or in support of the opinions so rendered; the qualifications of the witness; the compensation to be paid for the study and testimony of the expert; and a listing of other cases in which the expert has testified at trial within the preceding four (4) years.
- (2) Exhibits and witness lists will be mutually exchanged one (1) week prior to hearing date. Witness lists will briefly state the subject of the expected testimony of each witness.

D. Administrative Hearing:

- (1) The hearing will be conducted on a date established by the hearing officer;
- (2) Each side may be represented by an attorney and shall be afforded the opportunity to present relevant evidence and to call and examine witnesses and cross-examine witnesses of the other party;
- (3) Commission members may not be called as witnesses nor may the Commission's or Comcast's legal counsel be called as witnesses.
- (4) Witnesses will be sworn;
- (5) The hearing shall be transcribed by a court reporter;
- (6) The hearing officer will determine evidentiary objections. Strict compliance with the federal rules of evidence will not be necessary.
- (7) Post-hearing briefs will be permitted in lieu of closing argument. Briefs will be mutually exchanged at a date established by the hearing officer;
- (8) The hearing officer will issue recommended findings of fact based upon the record of the proceeding and stating the reasons therefore, pursuant to the Cable Communications Policy Act of 1984, as amended.

- E. The Commission will review the recommended findings of fact from the hearing officer and will, upon request of the parties, permit oral argument

before the Commission not to exceed thirty (30) minutes per party. Thereafter the Commission will issue a written decision recommending to the Member Cities to grant or deny the proposal for renewal pursuant to the Cable Communications Policy Act of 1984, as amended.

Section 2. Neither the Commission's July 29, 2013, Staff Report and RFRP or Comcast's December 20, 2013, Proposal have been amended nor modified in any way since the dates submitted.

Section 3. The Commission finds that its actions are appropriate and reasonable in light of the mandates contained in federal law including 47 U.S.C. § 546.

END OF DOCUMENT

RESOLUTION NO. 2014 -04

**PRELIMINARY ASSESSMENT THAT THE COMCAST
OF MINNESOTA, INC. CABLE FRANCHISE SHOULD NOT BE RENEWED**

WHEREAS, the North Suburban Cable Commission, d/b/a the North Suburban Communications Commission (hereinafter the "Commission"), is a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the "Member Cities"); and

WHEREAS, the Member Cities enacted separate ordinances and entered into individual agreements authorizing MediaOne North Central Communications Corp. to provide cable service (collectively, the "Franchises"); and

WHEREAS, as a result of several transfers of the Franchises, Comcast of Minnesota, Inc., ("Comcast") currently holds the Franchises in the Member Cities; and

WHEREAS, a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59 has the statutory authority to "jointly or cooperatively exercise any power common to the contracting parties [i.e., the Member Cities];" and

WHEREAS, the definition of a "City" is defined under the Franchises to include, among other entities, the lawful designee of the Member Cities; and

WHEREAS, the Commission was established by the Amended North Suburban Cable Commission Joint and Cooperative Agreement for the Administration of a Cable Communications System, dated June 1990 (the "Joint Powers Agreement"), to monitor Comcast's performance, activities and operations under the Franchises and to coordinate, administer and enforce the Member Cities' Franchises, among other things; and

WHEREAS, Section 626(a)(1) of the Cable Communications Policy Act of 1984, as amended (the "Cable Act"), 47 U.S.C. § 546(a)(1), provides that if a written renewal request is submitted by a cable operator during the 6-month period which begins with the 36th month before franchise expiration and ends with the 30th month prior to franchise expiration, a franchising authority shall, within six months of the request, commence formal proceedings to identify the future cable-related community needs and interests and to review the performance of the cable operator under its franchise during the then current franchise term; and

WHEREAS, by letters dated October 11, 2010, and November 23, 2010, from Comcast to the Member Cities, Comcast invoked the formal renewal procedures set forth in Section 626 of the Cable Act, 47 U.S.C. § 546; and

WHEREAS, the Member Cities informed the Commission, by resolution, that they want it and/or its designee(s) to commence, manage and conduct the formal renewal process specified in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), on their behalf; and

WHEREAS, the Member Cities have affirmed, by resolution, the Commission's preexisting authority under the Joint Powers Agreement to take any and all steps required or desired to comply with the Franchise renewal and related requirements of the Cable Act, Minnesota law and the Franchises; and

WHEREAS, the Joint Powers Agreement empowers the Commission and/or its designee(s) to conduct the Section 626 formal franchise renewal process on the Member Cities' behalf and to take such other steps and actions as are needed or required to carry out the formal franchise renewal process; and

WHEREAS, the Commission adopted Resolution No. 2011-02 commencing formal franchise renewal proceedings under Section 626(a) of the Cable Act, 47 U.S.C. § 546(a), and authorizing the Commission or its designee(s) to take certain actions to conduct those Section 626(a) proceedings; and

WHEREAS, the Commission performed a detailed needs assessment of the Member Cities' and their communities' present and future cable-related needs and interests and has evaluated and continues to evaluate Comcast's past performance under the Franchises and applicable laws and regulations, all as required by Section 626(a) of the Cable Act, 47 U.S.C. § 546(a); and

WHEREAS, the Commission's needs ascertainment and past performance review produced the following reports: The Buske Group's "Community Needs Ascertainment – North Suburban Communications Commission (Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony and Shoreview, Minnesota)" (July 15, 2013) (the "*Needs Assessment Report*"); Group W Communications, LLC's, telephone survey and report titled "North Suburban Communications Commission Cable Subscriber Survey (September 2011)" (the "*Telephone Survey Report*"); CBG Communications, Inc.'s, "Final Report - Evaluation of Comcast's Subscriber System, Evaluation of the Existing Institutional Network and Evaluation of PEG Access Signal Transport and Distribution for the North Suburban Communications Commission" (July 2013) (the "*Technical Review Report*"); Front Range Consulting, Inc.'s, "Financial Analysis of Comcast Corporation 2012 SEC Form 10K" (May 2013) (the "*Comcast Financial Report*"); and Commission staff's "Report on Cable-Related Needs and Interests and the Past Performance of Comcast of Minnesota, Inc." (July 22, 2013) (the "*Staff Report*"); and

WHEREAS, based on its needs ascertainment, past performance review, best industry practices, national trends in franchising and technology, and its own experience, Commission staff prepared a "Request for Renewal Proposal for Cable Television Franchise" ("RFRP") that summarizes the Member Cities' and their communities' present and future cable-related needs and interests, establishes requirements for facilities, equipment and channel capacity on Comcast's cable system and includes model provisions for satisfying those requirements and cable-related needs and interests; and

WHEREAS, pursuant to Resolution No. 2013-04, the Commission authorized its Executive Committee, Franchise Renewal Committee, Commission staff and/or Commission designee(s) to take all steps and actions necessary to implement, conduct and engage in the entire

formal franchise renewal process set forth in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), and to comply with any and all related federal, state and local laws, regulations, ordinances, orders, decisions and agreements; and

WHEREAS, the Commission's delegation of authority to the Franchise Renewal Committee includes, but is not limited to, the issuance of a staff report and RFRP and the establishment of appropriate deadlines for questions and Comcast's RFRP response; and

WHEREAS, in accordance with the authority delegated by the Commission, the Franchise Renewal Committee, by resolution, terminated the Section 626(a) proceedings required by the Cable Act on July 26, 2013, issued the *Staff Report* and RFRP to Comcast, effective July 29, 2013, and instructed Commission staff to deliver the *Staff Report* and RFRP to Comcast no later than July 30, 2013; and

WHEREAS, the *Staff Report* and RFRP was delivered to Comcast on July 29, 2013; and

WHEREAS, the Commission ratified the issuance of the *Staff Report* and RFRP by the Franchise Renewal Committee at its August, 2013 meeting; and

WHEREAS, the Commission and Comcast engaged in informal renewal negotiations pursuant to 47 U.S.C. § 546(h) but are currently unable to arrive at mutually acceptable terms, although informal discussions are ongoing; and

WHEREAS, the Commission established November 22, 2013, as a deadline for Comcast's response to the *Staff Report* and RFRP; and

WHEREAS, the Commission and Comcast agreed to extend certain deadlines including the deadline for Comcast to respond to the *Staff Report* and RFRP and the deadline set forth in 47 U.S.C. 546(c) for the Commission and the Member Cities to accept or preliminarily deny the Comcast Proposal; and

WHEREAS, on or about December 20, 2013, Comcast submitted to the Commission its Formal Proposal in response to the *Staff Report* and RFRP ("Proposal"); and

WHEREAS, the Commission published a notice notifying the public that Comcast's Proposal has been received and was placed on file for public inspection in the Commission's office, and that written public comments may be submitted to the Commission; and

WHEREAS, the Commission held a public hearing on April 17, 2014, and May 1, 2014, on the Comcast Proposal; and

WHEREAS, Comcast's proposal was analyzed by the Commission's staff, The Buske Group, CBG Communications, Inc., and Front Range Consulting, Inc., each of whom prepared a separate Executive Summary of Comcast's Proposal, which are all attached hereto and incorporated herewith as **Exhibit A** (collectively the "Executive Summary Reports"); and

WHEREAS, the Executive Summary Reports identify with particularity whether Comcast's Proposal is acceptable or unacceptable as it relates to the Commission's *Staff Report* and RFRP; and

WHEREAS, the Commission has carefully reviewed Comcast's Proposal and has determined a number of areas where the Proposal fails to meet the future cable-related community needs and interests taking into account the cost of meeting such needs and interests; and

WHEREAS, should Comcast request the commencement of an administrative hearing pursuant to 47 U.S.C. § 546(c), the Commission has prescribed Rules for the Conduct of an Administrative Hearing, attached hereto as **Exhibit B**, which rules comply with all procedural obligations set forth in 47 U.S.C. § 546(c); and

WHEREAS, the Commission has carefully considered all public comment including that contained within the *Staff Report* and RFRP, the Proposal and the attached analysis.

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH SUBURBAN COMMUNICATIONS COMMISSION, THAT:

1. Each of the above recitals is hereby incorporated as a finding of fact by the Commission.
2. Exhibits A and B are hereby incorporated by reference as if fully set forth in the body of this Resolution.
3. The Commission recommends to the Member Cities that the Member Cities issue a preliminary assessment that the Comcast Franchises should not be renewed.
4. The Commission preliminarily finds that Comcast's Proposal fails to meet the Commission and Member Cities' future cable-related community needs and interests taking into account the cost of meeting such needs and interests.
5. The basis for the Commission's preliminary assessment is set forth in Exhibit A.
6. At any administrative hearing requested by Comcast, the Rules for the Conduct of an Administrative Hearing attached hereto as Exhibit B will ensure that Comcast is afforded a fair opportunity for full participation, including the right to introduce evidence, to require the production of evidence and to question witnesses.
7. The Commission finds that its actions are appropriate and reasonable in light of the mandates contained in federal law including 47 U.S.C. § 546.

PASSED AND ADOPTED this 15th day of May, 2014:

**THE NORTH SUBURBAN
COMMUNICATIONS COMMISSION**

By: Sten Bull
Chair

ATTEST:

Quic Bauman

ATTACHMENT 1, EXHIBIT B

RULES FOR CONDUCTING ADMINISTRATIVE HEARING FOR COMCAST OF MINNESOTA, INC., FRANCHISE RENEWAL

Section 1. The Commission hereby establishes procedural guidelines for purpose of the administrative hearing under the Cable Communications Policy Act of 1984 as follows:

- A. The Commission shall appoint an administrative law judge (“hearing officer”) to conduct the administrative hearing and issue recommended findings of fact for consideration by the Commission. Comcast and the Commission will jointly determine the process for selecting an administrative law judge, if necessary. The administrative hearing will be conducted, to the extent practicable and consistent with the requirements of the Cable Communications Policy Act of 1984, pursuant to the provisions for administrative hearings in the Minnesota Administrative Procedures Act. The specific requirements for the administrative hearing shall be as follows:
 - B. Pre-hearing Discovery:
 - (1) Each side is permitted limited requests for production of documents and twenty (20) interrogatories. With respect to interrogatories, the following rules apply:
 - (a) Interrogatories are to be answered by any officer or agent of either party, who shall furnish such information as is available to the party; and
 - (b) Each interrogatory is to be answered separately and fully in writing under oath, unless it is objected to, in which event the objecting party shall state the reasons for the objection and answer to the extent that the interrogatory is not objectionable. All objections shall be stated with specificity and any ground for objection which is not stated in a timely manner is waived unless the party’s failure is excused by the Commission for good cause shown; and
 - (c) Interrogatories will be answered within the timeframe established by the hearing officer;
 - (2) No depositions shall be permitted.
 - (3) The hearing officer will rule on all discovery disputes which may arise.

(4) Discovery shall close fifteen (15) days before the administrative hearing.

C. Pre-hearing Disclosures:

- (1) Each side shall disclose to the other the identity of any person who may be used at the hearing to present expert testimony prior to the hearing date. The disclosure must be accompanied by a written report prepared and signed by the expert which shall contain a complete statement of all opinions to be expressed and the basis and reasons therefore; the data or other information considered by the expert informing his or her opinions; and any exhibits to be used as a summary or in support of the opinions so rendered; the qualifications of the witness; the compensation to be paid for the study and testimony of the expert; and a listing of other cases in which the expert has testified at trial within the preceding four (4) years.
- (2) Exhibits and witness lists will be mutually exchanged one (1) week prior to hearing date. Witness lists will briefly state the subject of the expected testimony of each witness.

D. Administrative Hearing:

- (1) The hearing will be conducted on a date established by the hearing officer;
- (2) Each side may be represented by an attorney and shall be afforded the opportunity to present relevant evidence and to call and examine witnesses and cross-examine witnesses of the other party;
- (3) Commission members may not be called as witnesses nor may the Commission's or Comcast's legal counsel be called as witnesses.
- (4) Witnesses will be sworn;
- (5) The hearing shall be transcribed by a court reporter;
- (6) The hearing officer will determine evidentiary objections. Strict compliance with the federal rules of evidence will not be necessary.
- (7) Post-hearing briefs will be permitted in lieu of closing argument. Briefs will be mutually exchanged at a date established by the hearing officer;
- (8) The hearing officer will issue recommended findings of fact based upon the record of the proceeding and stating the reasons therefore, pursuant to the Cable Communications Policy Act of 1984, as amended.

- E. The Commission will review the recommended findings of fact from the hearing officer and will, upon request of the parties, permit oral argument before the Commission not to exceed thirty (30) minutes per party. Thereafter the Commission will issue a written decision recommending to the Member Cities to grant or deny the proposal for renewal pursuant to the Cable Communications Policy Act of 1984, as amended.

Section 2. Neither the Commission's July 29, 2013, Staff Report and RFRP or Comcast's December 20, 2013, proposal have been amended nor modified in any way since the dates submitted.

Section 3. The Commission finds that its actions are appropriate and reasonable in light of the mandates contained in federal law including 47 U.S.C. § 546.

May 23, 2014

*Via E-mail to**pkelly@kellyandlemmons.com*Patrick J. Kelly
Kelly & Lemmons, P. A.
223 Little Canada Road, Suite 200
Little Canada, MN 55117*Re: Formal renewal of Comcast's cable-television franchises*

Dear Mr. Kelly:

The City of Shoreview, as you likely know, is a member of the ten-member North Suburban Communications Commission (NSCC). The NSCC recently passed a resolution recommending that each of its ten member cities preliminarily deny a formal proposal of Comcast of Minnesota, Inc., to renew Comcast's cable-television franchises with the member cities. Each member city now has until June 20, 2014, to accept or preliminarily deny Comcast's proposal. I represent Comcast in this matter. As city attorney for Shoreview, you might be asked to help the city as it considers the NSCC's resolution recommending preliminary denial of Comcast's proposal. If you are, I am including with this letter a memorandum regarding Comcast's formal renewal proposal that gives you some background on this fairly complicated subject. I am also filing a copy of this memorandum with the city administrator or manager for each of the ten member cities of the NSCC, along with a copy of Comcast's formal renewal proposal. If you have any questions about this matter, please feel free to get in touch with me.

Sincerely,

s/Randall Tietjen

Randall Tietjen

Enclosure

cc: Shoreview City Manager (via US Mail; with enclosure)
Michael Bradley (via e-mail; with enclosure)

To: Attorneys and City Administrators or Managers for the Cities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview

From: Randall Tietjen

Date: May 23, 2014

Re: Formal renewal of Comcast's cable-television franchises

Introduction and Summary

On May 15, 2014, the Northern Suburban Communications Commission (NSCC) passed a resolution recommending that its ten member cities (listed above) preliminarily deny the formal proposal of Comcast of Minnesota, Inc., to renew Comcast's cable-television franchises with the member cities. Each of the member cities now has until June 20, 2014, to accept or preliminarily deny Comcast's proposal. The member cities should all accept Comcast's formal proposal. Federal law, in the end—after an administrative hearing—allows only four limited grounds for denying Comcast's formal proposal, and none of those grounds exist here.

By continuing to put Comcast and the member cities through a formal franchise-renewal process, the NSCC is leading its member cities on what might be called an expensive “fool's errand”—with an unlawful goal that the NSCC is not going to achieve. Comcast's formal renewal proposal provides generously for all of the *capital* needs associated with the public, educational, and government-access channels (PEG channels) operated by the North Suburban Access Corporation (NSAC), the non-profit affiliate of the NSCC that operates the member cities' “CTV” PEG channels. But for a long time, the NSCC has been singularly focused on getting Comcast to charge its customers ever higher PEG fees during the upcoming franchise terms to cover the *operating* expenses of the NSCC and NSAC.

Under a settlement agreement in 1994 (“the 1994 Agreement”) that will soon expire, between the NSCC and a predecessor cable operator, Comcast currently collects PEG fees from its customers in the member cities to fund operating expenses of the NSCC/NSAC. But since the date of that settlement, federal law regarding cable franchising has made clear that the

NSCC is prohibited from demanding financial support for its PEG operational expenses. Yet demanding PEG operating support is *precisely* what the NSCC's request for renewal proposal (RFRP) to Comcast does: "Current levels of capital and operations funding, and in-kind support, *must* be maintained and enhanced as described herein and in the *Staff Report*." (RFRP at p.38) (Elsewhere in the RFRP, the NSCC sometimes state its demand with the phrase that Comcast "shall voluntarily pay" the amount demanded." RFRP at p.65)

In most cities around the country, the PEG operations of a local franchising authority (LFA) are funded through the franchise fees that federal law allows an LFA to collect from a cable operator's customers. The member cities of the NSCC already collect the full franchise fee allowed by federal law (5%), but they apparently do not use all of that money for cable-related expenses or in support of PEG operations (despite their agreement to do so in their Joint Powers Agreement forming the NSCC). What the NSCC should have done—years ago, as the expiration of the 1994 Agreement approached—was establish a lawful and reliable alternative source for its operational expenses, without expecting Comcast's customers to continue to provide the funding, and then prepare an RFRP for Comcast that was built on that foundation. This would have been the prudent course. But instead, the NSCC wants to put federal law aside and build the foundation of its formal renewal case on an unlawful demand for PEG operating support.

Why would the NSCC go to such lengths over the issue of whether Comcast should continue to pay the NSCC for PEG operating support? The answer to that question gets to a fundamental problem with the renewal process of the NSCC, on which we elaborate more below. The essence of the problem is that the NSCC and the NSAC have an inherent conflict of interest between them—a conflict that causes the NSCC to systemically favor the PEG interests of the NSAC over the interests of those whom the NSCC is supposed to protect: Comcast customers. This inherent conflict of interest has manifested itself in the franchise-renewal process with open-meeting violations, for example, and a pervasive bias in the NSCC's assessment of community needs that favors the NSAC's interests at the expense of Comcast customers.

The rest of this memorandum aims to provide more detail and context behind all this before the upcoming vote of the member cities on Comcast's formal renewal proposal—and to give you a picture of some of the serious issues affecting the NSCC's process and decision-making. This memo is not an

exhaustive description of events. The record of the NSCC contains a long history of missteps. Comcast has lodged its objections along the way, whenever it can discern what the NSCC is up to. Each of the member cities should ask to see the full record of communications between the NSCC and Comcast, including Comcast's formal and informal proposals. (Comcast is submitting a copy of the public version of its formal proposal under separate cover to each member city's administrator or manager.) If any member city or its attorney has any questions before the councils of the member cities decide whether to follow the recommendation of the NSCC, Comcast would be happy to try to answer those questions. Comcast has already requested an opportunity to speak before the city councils vote on this issue.

I. Background

A. Cable-television franchise renewal under the Cable Act

A number of laws and regulations govern the renewal of cable-television franchises, but the primary framework for the renewal process is established by Section 626 of Title VI of the Federal Communications Act of 1934, as amended. (See 47 U.S.C. § 546).

The informal process. Nearly all franchise renewals are handled informally between the cable operator and the local franchise authority (LFA). In an informal process, the cable operator and LFA simply negotiate a franchise agreement without the burdensome litigation procedures and deadlines that characterize the formal process. Comcast's efforts to negotiate franchise renewal informally with the NSCC have so far been unsuccessful, due primarily to the fact that Comcast will not accede to the NSCC's demand to pay the NSCC for PEG operating support for the entire term of the renewed franchise. In informal negotiations, Comcast has proposed PEG operating support for a transitional period to allow the NSCC/NSAC to find other sources of funds to support its operating expenses.

The formal process. The formal process is quite different—and that's what the NSCC has chosen to focus an inordinate amount of time and money on. (The NSCC has sometimes tried to say that Comcast began the formal proceedings, but Comcast merely sent a letter years ago notifying the member cities that it intended to renew the franchises, as it was required to do, and the NSCC's own many resolutions repeatedly acknowledge that "the Commission [itself] adopted Resolution No. 2011-02 *commencing* formal franchise renewal proceedings.") The federal statutes governing the formal-renewal method are designed—as the United States House of Representatives explained in its

report on amendments to the Cable Act—“to establish a process which protects the cable operator against an unfair denial of renewal” and “encourage investment by the cable operator at the time of the initial franchise.”¹ The Cable Act, according to the House, “ensure[s] such investment will not be jeopardized at franchise expiration without actions on the part of the operator justifying such a loss of business.”² Here, none of the actions of Comcast, as explained below, justify a loss of its business.

Section 626 of the Cable Act (47 U.S.C. § 546) divides the formal-renewal process into multiple stages. The process begins with the LFA’s “ascertainment” of community needs and a review of the cable operator’s performance, both of which are conducted through what is supposed to be a public process. Following ascertainment, an LFA issues a request for renewal proposal (RFRP) based on that review. The operator responds with a proposal for renewal, and then the LFA makes a preliminary decision on that proposal. If it preliminarily denies renewal, the LFA must hold an administrative hearing where evidence is gathered and presented, at the end of which the LFA must deny or accept the renewal proposal based on four limited factors, summarized as follows:

- (a) whether the operator substantially complied with the existing franchise,
- (b) the quality of the operator’s service,
- (c) the operator’s financial, legal and technical ability, and
- (d) whether the operator’s proposal reasonably meets future cable-related needs and interests, taking costs into account.

If the LFA denies renewal following this procedure, the Act provides for review of the record and decision by a federal court. That court will determine whether the denial is supported by a “preponderance of the evidence” and otherwise accords with applicable law.³ Formally renewing a franchise is a “quasi-judicial” function.⁴ Thus the City must also comply with

¹ H.R. Rep No. 98-934, at 72 reprinted in 1984 U.S.C.C.A.N. 4711.

² *Id.*

³ 47 U.S.C. § 546.

⁴ *In re Dakota Telecommunications Group*, 590 N.W.2d 644 (Minn. App. 1994).

due-process standards or statutory requirements established under state and federal law.

B. Comcast's cable-television franchises in the NSCC member cities

The current NSCC cable franchise combined with the 1994 Settlement Agreement has been very lucrative for the NSCC and NSAC. The existing franchise, adopted in 1998, among other benefits for the NSCC/NSAC has provided:

- Franchise-fee payments of \$1.5 million per year (as of 2013) to the NSCC and member cities;
- \$1.6 million per year in PEG support;
- 8 television channels dedicated for PEG programming;
- Free cable services to 87 government buildings; and
- Free use of a 322-mile fiber optic institutional network valued at \$7.4 million.

The franchise-fee payments mentioned above are collected from Comcast's customers as required by the member cities under the current franchises. The franchise fee equals 5% of Comcast's gross revenue from cable services, which is the statutory maximum for such a fee. Franchise fees have been described by courts as "rent" for use of rights of way (though other rights-of-way users such as telephone companies are only required to pay for a portion of the costs of managing and maintaining rights-of-way). In addition, the PEG funding requirements under the existing franchise and 1994 settlement amount to \$4.15 per customer per month, which is one of the highest PEG fees in the country. With respect to the eight PEG channels under the current franchises, Comcast submitted evidence and expert reports documenting how the NSAC struggles to fill these channels with relevant programming, loading them up with reruns and public-service announcements that air dozens, if sometimes not hundreds, of times. (The NSAC says the eight channels *should* replay the same shows over and over again because it serves as a video archive for PEG programs.) All of these franchise terms—the PEG fees and the number of channels devoted to the NSAC—will expire later this year (which includes a one-year, good-faith extension of all the terms by Comcast, allowing the NSCC time to resolve this matter informally).

C. The NSCC's Renewal

In fall 2010, Comcast notified the NSCC's member cities of its desire to renew the NSCC-area franchises. At that time, Comcast hoped it could informally negotiate a renewal agreement with the NSCC, as it does in nearly every other community across the country. But the NSCC commenced formal proceedings in April 2011 and formally delegated authority over the process to the NSCC's staff, unidentified "designees," and a renewal committee comprised of three commissioners and another member-city representative. Comcast believes that the NSCC staff pushed for the formal process on the mistaken belief that the formal process would compel Comcast to pay for PEG-operational funding or face losing its cable franchises (despite that conditioning a franchise on an operator paying PEG operations is unlawful.) In the following months, NSCC staff and its "designees" conducted an ascertainment process ostensibly to assess the NSCC communities' cable-related needs. Unfortunately, the needs ascertainment process conducted by the NSCC was results oriented and was not designed to objectively assess true community needs but rather to support the desires of the NSCC's alter ego, the NSAC, its staff, volunteers, and beneficiaries, at the expense of Comcast and its customers.

In April 2013, the full NSCC voted to approve the NSCC's staff's resolution to retain consultants for the formal process. In furtherance of its results-oriented approach, the NSCC hired perhaps the most prominent PEG advocate in the country—rather than an expert in statistics and survey research—to conduct a survey and prepare its main ascertainment report. The April 2013 resolution also formally delegated "the entire formal Franchise renewal process" to the Renewal Committee, the Executive Committee, the Executive Director, NSCC staff, the Bradley & Guzetta law firm, retained consultants, and more unknown "designees." None of these individuals or entities ever held public meetings to discuss and deliberate over the ascertainment results, the NSCC cities' community needs, or the review of Comcast's performance. Their meetings were held without public notice and were they not public meetings, as required by Minnesota's Open Meeting Law.

Based on whatever deliberations or decisions were made in closed meetings of the various individuals and entities charged with conducting the formal renewal process, on July 29, 2013, NSCC staff issued a report and request for renewal proposal (RFRP). Among other things, the RFRP demanded:

- franchise fees charged at the maximum rate resulting in continued franchise fee payments of approximately \$1.5 million per year to the NSCC;
- \$27.7 million over 10 years in support for PEG access—a demand that would result in PEG fees increasing to \$7.57 per customer per month (\$13.5 million of that \$27.7 million is to pay for operations, which the NSCC now apparently agrees it could not require under federal law);
- that Comcast provide the NSCC with and maintain a \$7.4 million data and telecommunications network (“the I-Net”) for free—an in-kind demand that is also unlawful;
- eight standard-definition PEG channels and an additional four channels in high-definition format from Comcast’s network, and an unspecified quantity of video-on-demand capacity (all without a showing that those channels are necessary or capable of use by the NSAC).

In its staff report, the NSCC found no instance in which Comcast was in substantial breach of a material provision of the existing franchises. The staff report also found overall that Comcast’s customer service was good or very good and the staff made no finding that Comcast did not possess the legal, technical, or financial qualifications to meet the demands of the NSCC’s proposal.

On August 1, 2013—after the NSCC’s staff or Franchise Renewal Committee issued the NSCC’s RFRP to Comcast—the full NSCC summarily adopted the staff report, consultant reports, and RFRP. Presumably at the advice of the NSCC’s counsel, the Chairman of the NSCC suggested that the commissioners not make any statements or discussions about these documents or anything related to the adopted community needs assessment and Comcast review; all such discussions, to the extent there were to be any, were conducted privately, presumably.

D. Comcast’s Proposal

In response to the NSCC’s RFRP, Comcast submitted its franchise renewal proposal on December 20, 2013, offering the following, among other things:

- the maximum franchise fee equaling 5% of total revenues of the system, or approximately \$15.5 million over 10 years;
- PEG capital funding of approximately \$4.8 million over 10 years;
- complimentary service to public schools, libraries, and municipal buildings valuing over \$128,000 over 10 years;
- three standard-definition channels and one high-definition channel on Comcast's network allocated for PEG programming, with an opportunity for an additional channel based on usage;
- use of the current I-Net but in compliance with federal law—that is, at no cost but only to the extent used for transmission of PEG-programming; non-PEG users of the I-Net would be charged discounted market rates.

Comcast's proposal included valid surveys conducted by an expert in survey research that showed high satisfaction rates with Comcast's overall services, including channel lineup, picture quality, and customer service. The survey also showed relatively low interest in current PEG channels and zero interest by subscribers in paying for PEG programming. Another report analyzed serious flaws and bias in the ascertainment conducted by the NSCC's consultant. Other reports included:

- analysis by a mass-communications expert on how PEG programming can actually be more effective by consolidating programming onto fewer channels and how the NSCC's PEG demands underscore the NSCC's obsolete thinking with respect to current trends and technologies relating to how local news and information is consumed;
- analysis by a telecommunications engineering expert on the true and significant value and cost of the I-Net demanded by the NSCC; and
- analysis by a financial expert on the NSCC's use of its PEG fees, which included large amounts for professional and legal fees and a remarkable \$2.1 million of unspent reserves held by the NSCC and NSAC.

Comcast's full public proposal is being submitted to each city administrator or manager, and can be viewed online at the following URL:

http://www.ctv15.org/comcast/COMCAST_FINAL_PROPOSAL_FOR_RENEWALpublic-Redacted.pdf

E. The NSCC's review and the meeting on April 17

After Comcast submitted its proposal, the NSCC still would not publicly discuss or deliberate the substantial public interest issues raised by the differences in the NSCC's RFRP and Comcast's formal renewal proposal. Comcast complained about the NSCC's process to the NSCC's counsel in February 2014. After disputing that there had been any problem with the Open Meeting Law, the NSCC's counsel (Bradley & Guzzetta) apparently consulted attorneys for the League of Minnesota Cities and the NSCC de-designated the various decision-makers (like its lawyers, staff, and consultants) that it had earlier declared to be decision makers (who would be subject to the Open Meeting Law). The NSCC started noticing renewal-committee meetings and stopped noticing closed meetings of the full NSCC. (Comcast still reserves its rights with respect to challenging what it believes are the NSCC's earlier Open Meeting Law violations.)

On April 17, the NSCC held a meeting to permit Comcast to present its proposal to the NSCC. But instead of simply hearing and deliberating on a presentation of Comcast's formal proposal, the NSCC's staff used the event to mobilize PEG programmers and other PEG advocates against Comcast. As further described below, the NSCC staff created materials for its website and distributed those materials warning (falsely) PEG programmers specifically and the public generally that Comcast's proposal would mean the end of CTV by not providing the demanded PEG operational funding. The materials and other statements by the NSCC's executive director rallied opposition to Comcast's proposal on this basis.

During the meeting on April 17, Comcast summarized its proposal to the commissioners and tried to inform the commissioners of the lack of factual record supporting their renewal demands, the legal problems with the Staff Report and RFRP, and the reasonableness of Comcast's proposal under the Cable Act. PEG programmers and other interested individuals then proceeded to the podium to urge denial because they (mis)understood Comcast's proposal to be designed to "kill" PEG and CTV. Nothing could be further from the truth. Comcast's proposal, itself, shows that this is not the case.

F. Belated Notices of Franchise Violation

During the meeting on April 17, Comcast informed the NSCC that it could not recommend denial based on past performance because, among other reasons, the NSCC's Staff Report and RFRP did not identify a single

instance where Comcast was in substantial noncompliance with a material provision of the franchise agreement. In what Comcast believes is a belated effort to create noncompliance issues on which the NSCC now (mistakenly) believes it can use as a basis for denying Comcast's formal renewal proposal, the NSCC issued a new notice of violation on May 1, 2014. Regardless of the merits of any belated alleged franchise violations, the allegations do not represent substantial noncompliance with a material term of the franchise and, thus, provide no basis for the NSCC's recommendation to deny Comcast's formal franchise renewal proposal.

G. The NSCC's Recommendation

On May 9, on the eve of the NSCC's vote to recommend that the cities preliminarily deny Comcast's renewal proposal, the NSCC staff issued "supplemental reports" recommending denial. The reports are similar to previous reports in their adversarial tone against Comcast. Aside from a lot of rhetoric, the supplemental reports mainly rehashed arguments in the initial Staff Report and RFRP, and do not refute Comcast's complaints about the legal and record deficiencies in the staff's demands, as explained in the sections below.

The Supplemental Staff Report recommended denial because it said that Comcast's proposal did not meet community needs and interests. But the Report also says that "compliance issues also serve as a basis for preliminary denial."⁵ The Supplemental Staff Report is unclear whether it is asserting other bases for denial because it also incorporates by resolution the consultants' supplemental reports. The consultants indicate in various places that Comcast's proposal does "not comply" with the consultants' technical and system demands, "fail[s] to comply with many of the PEG access and public service obligations contained in the RFRP," and does not provide enough financial information to allow the consultant "to ascertain the level of profitability that Comcast generates in the franchise area." None of the unsupported assertions and rhetoric in the supplemental reports provides any basis for denying Comcast's formal renewal proposal.

On May 15, after virtually no deliberation or discussion of the merits of Comcast's formal proposal by the commissioners—although there were complaints from commissioners that Comcast had not been willing to settle informally on the NSCC's terms and concerns in general about the informal

⁵ Supp. Staff Report at 8-9.

process being unproductive—the NSCC, with one dissenting vote from the commissioner representing Shoreview, voted to recommended that the cities preliminarily deny Comcast’s formal renewal proposal.

II. Analysis of Cable Act requirements

The NSCC cannot establish a basis for denial based on the four limited criteria under the Cable Act. All surveys agree that NSCC-area customers are satisfied with Comcast’s service, and Comcast will continue offering those services in addition to several benefits to the NSCC and member cities including substantial PEG capital funding and four channels on its network for PEG usage. Comcast believes that, for these reasons, the NSCC’s recommendation to deny Comcast’s formal proposal is unreasonable. Each of the four criteria will be addressed in turn.

A. Substantial compliance with material franchise terms

The first criterion on which denial of renewal can be based is whether “the cable operator has substantially complied with the material terms of the existing franchise and with applicable law.” The NSCC’s May 15 resolution did not base a denial on this reason and this cannot be a ground for denial for many reasons—including because the Cable Act requires that the NSCC first provide formal notice and an opportunity to cure for any purported noncompliance. Here, over the entire twelve years of Comcast’s operation of the franchise, the *only* outstanding notices of any alleged franchise violation on record is one issued January 10 and one on May 5, both of *this year*. These notices were untimely and pretextual attempts to justify a renewal denial. Nothing that the NSCC has raised as a potential franchise violation represents an alleged substantial non-compliance with a material term of the franchise. A “material” breach must, at minimum, be a departure from the franchise that “pervaded the whole of the [franchise agreement] or have been so essential as substantially to defeat the object that the parties intended to accomplish.”⁶

B. Comcast’s service quality

The second criterion is the “quality of the operator’s service.” Any evaluation under this criterion must consider service under the entire life of Comcast’s operation of the franchise. Again, the NSCC did not apparently

⁶ *Cablevision Sys. Corp. v. Town of E. Hampton*, 862 F. Supp. 875, 885 (E.D.N.Y. 1994)

base a denial on this ground in its May 15 resolution. In any event, there would be no basis for it to do so. Like with the criterion above, the Cable Act requires proper notice and an opportunity to cure any material service-quality issues to justify denial. The NSCC has not provided any such notice, and in fact its consultant agreed: “Generally, cable subscribers in the NSCC service area indicate that they are satisfied with the Comcast cable TV service. In addition, very high percentages of them gave positive ratings to two of the quality and service measures tested, and solid majorities gave positive ratings to several others.” The survey commissioned by Comcast also found high ratings in all aspects of customer satisfaction. Though the Staff Report points to complaints in 2013 resulting from the digital conversion and change in a customer-service center supporting the NSCC area, the complaints are not quantified and the NSCC fails to mention that Comcast has addressed or resolved many of them. In short, the NSCC has failed to provide any basis on which the member cities could deny Comcast’s formal renewal proposal based on Comcast’s service quality.

C. Financial, legal, and technical ability

The third criterion is whether the “operator has the financial, legal, and technical ability to provide the services, facilities, and equipment as set forth in the operator’s proposal.” Again, the NSCC’s resolution did not cite this criterion in recommending denial. This is because there is no serious question that Comcast—the nation’s largest cable provider and leader in telecommunications technology and services—does not have the financial, legal, and technical capability to provide the cable service set forth in its formal renewal proposal.

D. Reasonable to meet community needs, in light of costs

The fourth criterion is whether “the operator’s proposal is reasonable to meet future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.” This is the criterion on which the NSCC appeared to base its decision. The resolution does not specify the “community need and interest” that was not met by Comcast’s proposal, but the NSCC’s Staff Report flags disagreements with Comcast that could never justify denial.

The NSCC’s main issue is funding for PEG programming. This issue is the heart of the dispute between the NSCC and Comcast, so it is important for the cities to understand the law. In 2007, the FCC issued an important order—known within the industry as the “621 Order” (named after the

section of federal law at issue in the rulemaking). Leading up to the 621 Order, many cable operators had expressed their concerns about unreasonable demands that LFAs around the country were making of cable operators as a condition for obtaining a franchise. And in the 621 Order, the FCC set clear limits, grounded in section 621 of the federal Cable Act, on LFA demands. The FCC ruled that payments required of a cable operator by an LFA to support “reasonably adequate” PEG capital expenses do not count toward the 5% franchise fee cap set forth under federal law. But payments required of cable operators by LFAs to support PEG operating expenses do count toward the 5% franchise fee cap. Thus, if an LFA is already charging a cable company a 5% franchise fee (which the NSCC member cities do), then the LFA cannot demand any PEG operating support as a condition for obtaining a franchise. The NSCC’s RFRP explicitly asks Comcast subscribers to pay for *all* of the NSAC’s *significant* capital and operational funding demands in addition to paying the maximum-permitted franchise fees. This is problematic and unlawful on several levels:

First, the NSCC’s capital demands call for funding levels far above what is necessary for reasonably “adequate” facilities—which is all the law allows. The NSCC demanded a *ten-fold* increase from current capital-funding levels (from \$.27 per customer per month to \$2.36), plus an additional funding for the cities (or \$1.57 per customer per month). Comcast, meanwhile, has offered PEG fees amounting to \$.44 per customer per month, or \$1.6 million in PEG capital support to the NSAC—which nearly doubles current capital funding levels and is based on the NSAC’s last three years of capital spending. Comcast also will provide \$3.2 million in capital funding to the cities, which pays for nearly all of the RFRP’s significant demands for capital grants to individual member cities. Comcast calls for the NSCC/NSAC to fund a small portion of its capital funding demand with a portion of the NSCC/NSAC’s \$2.1 million reserve that it has accumulated from an apparent surplus of past PEG fees paid by Comcast and its customers. (The NSCC disputes that it has this much in reserve, but it has not said just how much the NSCC *and* NSAC *do* have in reserve.) Comcast’s proposal also allocates cities’ PEG funding pro rata based on each member city’s number of subscribers within the NSCC franchise area—a principle embodied in the cities’ own JPA. And while Comcast has taken the NSCC’s capital needs at face value for its proposal purposes, during a judicial process these alleged needs will be held up to a microscope. Comcast expects that a detailed, unbiased review of facilities and equipment will show that staff’s demands exceed any reasonably adequate community need documented by the NSCC. Thus Comcast’s offer through this formal process is especially favorable.

The NSCC demanded operational funding in the amount of \$14 million, or \$3.71 per customer per month. Today, the NSCC seems to acknowledge that it cannot lawfully demand this. Yet the NSCC recommends preliminarily denying the franchise because Comcast won't provide that funding. The NSCC's actions violate the Cable Act, and the member cities are going to potentially be subject to further time-consuming legal proceedings if they follow the NSCC's recommendation. The reasonableness of Comcast's position is further underscored by the fact that the member cities could fund PEG operational expenses with franchise fees. In fact, Article X, § 3 of the JPA *requires* the cities to use franchise fees for "cable-related expenses" like PEG operations. But the cities do not appear to be following that requirement of their agreement.

Again, combining maximum franchise fees, significant and unjustifiably high PEG capital fees, and unlawfully demanded PEG operational fees, the NSCC wants Comcast's subscribers to pay \$7.57 per month—or \$90.84 per year in PEG fees alone, on top of the 5% franchise fee that they already pay. Comcast supports PEG programming in these communities—it is offering millions and allocating channels to support it. But there must be balance. Eighty percent of subscribers do not want to pay any amount for PEG programming, and between 78% and 94% seldom or never watch the eight channels. The NSCC's funding demands for PEG are improper, and motivated to satisfy the NSAC's interests above those of subscribers.

The number of PEG channels that the NSCC should have available is another issue mentioned in the Supplemental Staff Report. Comcast's proposal of three SD channels and an additional HD channel is more than reasonable to meet the future PEG needs—given the level of demonstrated interest in PEG programming by all subscribers. The NSAC cannot fill the current channels it has—replaying meetings, games, and shows dozens and dozens of times. One city council meeting was apparently played 129 times. One sporting event was apparently played 177 times. Public service announcements are played over and over again to fill time. In addition, the role of PEG as a source of local information has diminished greatly. As opposed to 1998, when the franchise began, PEG now competes with a vastly expanded and diversified number of sources for receiving local information—blogs, Twitter, internet streaming, Facebook, YouTube, etc.—all of which reduce the need for PEG channels. Review the report of Professor Sanders on this topic, which is attached as Exhibit 6 to Comcast's formal proposal, and see the analysis for yourself. The NSCC has had no response to Professor Sanders's report.

The I-Net is another issue mentioned in the Supplemental Staff Report. The NSCC's original report and the RFRP do not provide information showing current usage, expected needs, or community interest in an I-Net—it just demands it and asks for capital funding for the network paid by Comcast subscribers. Federal law, meanwhile, treats demands for in-kind goods and services as franchise fees that count toward the 5%-franchise-fee limitation.

Comcast proposed to provide an I-Net comparable to that under the current franchise, and offers the portion of the network used for PEG-purposes for no charge to the NSCC. But if the NSCC wants to use the I-Net for more than that—for example, for internet and data services, for telephone—and if the City of Roseville leverages (as it does) the I-Net into data services that it provides to nongovernmental entities for a charge, then Comcast should be able to seek fair-market value for that portion. If the cities refuse to pay fair-market value, then the law provides that Comcast can offset that in-kind value against franchise-fees.

The NSCC's attorney and consultants like to say that because Comcast "recouped" the cost of building the I-Net, it cannot charge for the fair-market value to use the I-Net. But the I-Net is Comcast's property and this is a bizarre economic argument, in any context: The NSCC's argument is premised on the belief that when a private business has recouped the cost of building something, the government can use that property any way it wants, for free, even for its own commercial gain. It would be interesting to hear if the member cities agree with this economic principle if it were to be applied to other business operations in their cities. This flawed argument should not be adopted by the cities.

For the reasons stated above, and as explained in Comcast's proposal, a denial of Comcast's cable franchise would be unwarranted and unreasonable.

III. The NSCC's process against Comcast

The NSCC has not handled these proceedings as a neutral decision-maker in a proper quasi-judicial process. Since the beginning of these proceedings, the NSCC's executive director has (1) acted with the apparent purpose of maximizing PEG-related demands benefiting the NSAC and (2) taken an antagonistic posture toward Comcast. The executive director appears to take the view that the threat of franchise denial through the formal process can be used as leverage to compel Comcast to provide PEG operational funding. The executive director, in Comcast's view, has provided skewed facts to the Commission, always in a negative light against Comcast.

But these actions are conceivable when one considers the structure of the NSCC and its relationship with the NSAC. The NSAC is a 501(c)(3) organization with the purpose of promoting and managing PEG channels in the NSCC cities, and is almost entirely funded through grants imposed on Comcast subscribers under the franchise. The NSAC has a significant interest in this renewal process. Yet the NSAC staff *is* the NSCC staff. The NSAC's board of directors *is* the NSCC commissioners. The executive director of the NSAC *is* also the NSCC's executive director handling regulation of Comcast. One law firm represents both entities; in fact, understanding when the firm represents one versus the other is often difficult. Worst of all, these individuals—the NSAC's staff, its law firm, and executive director—were *delegated complete authority* over conducting the ascertainment and review of Comcast's performance, and they have apparently done all the work behind the recommendation to deny. For the ascertainment process, the NSCC retained the Buske Group, who not coincidentally is perhaps the most prominent PEG advocate in the country, to conduct privately the study of the community's needs. And of course the NSCC and NSAC share the same website and make no distinction about what are the NSAC's statements and what are the NSCC's.

The influence of these various entities and individuals had been largely kept from Comcast (and the public in general) because there were never open meetings of the executive director, staff, or its legal counsel in discussing or creating the Staff Report and RFRP—in other words the demands that the NSCC ended up making for purposes of formal renewal. These individuals (who were delegated full decision-making power) and the Renewal Committee held several non-public meetings in violation (in Comcast's view) of the Open Meeting Law. Comcast made objections to the RFRP and Staff Report that came out of this process, explaining that they were unlawful and lacked record support, for example, in its demands for PEG funding. But the issues were never corrected and NSAC staff continued essentially to run the formal process. The Renewal Committee of the NSCC started opening its meetings this year when Comcast complained of the OML violations. But still, there had been *no public debate or decision-making* at all by the commissioners about the demands in the RFRP until the very limited discussion that occurred shortly before the NSCC adopted its recommendation to deny renewal. The NSCC's chairman apparently instructed commissioners to not discuss issues publicly at meetings, presumably on the advice of NSCC staff and legal counsel.

The conflict of interest between the NSCC and NSAC became apparent when Comcast saw the contents of the NSCC's website before the April 17

hearing. Announcements on the website were also directed through other avenues to PEG programmers, which included the following:

- The NSCC website announced the hearing with a graphic of raised fists and a message to “speak up for community media and the North Suburbs.” A similar message was sent to “local volunteers, producers, and viewers” of PEG programming. The messages said that if Comcast’s proposal were accepted, “CTV will lose its operating grant, which supports [all PEG programming.]” (As noted above, the NSCC cannot condition renewal on PEG operational funding from Comcast subscribers.)
- Another message stated that Comcast’s proposal to eliminate operational funding is “alarming [in] the fact that [Comcast] is generating approximately \$14 million in operating income” from the North Suburbs, tells viewers how the NSAC’s capital needs won’t be met by Comcast’s proposal, and asks “how will we maintain our sense of local community without this access programming?” It says that LFAs have always won franchising litigation, and closes by telling readers “we need you to help us make the case for PEG access/community media . . . No less than the future of CTV North Suburbs is at stake.”
- The NSCC’s executive director went on a radio show titled “Cable Under Siege” to get listeners to oppose Comcast’s proposal. She said “[I]t’s frustrating when a company like Comcast comes in and says [PEG is] not valuable, we don’t want to support it anymore.” (Comcast has never said this and that it is not Comcast’s view or position.) She said “[Comcast has] been very candid in saying that they don’t value community television.” When the host said that Comcast is so big that it can “control . . . whatever their agenda is,” the NSCC’s executive director responded “exactly.” She said that any PEG reduction will just “go back to Philadelphia, to their coffers.” This show was posted and endorsed on CTV’s Facebook site.
- The NSCC Staff released “Talking Points” that told people how to oppose Comcast’s positions in the renewal.

These efforts by the Commission to mobilize opposition to Comcast during what was supposed to be a quasi-judicial process now appear to be manifestations of a deeper bias that Comcast believes has destroyed any semblance of a fair process.

If the member cities approve the NSCC's recommendation to deny Comcast's formal renewal proposal the cities face serious due-process challenges and other legal issues when this renewal proceeds to a judicial process.

IV. Other issues affecting the NSCC's recommendation

While it was not required to do so, Comcast made several objections to substantive and procedural aspects of the RFRP process when it submitted its proposal. Those objections included problems with the record, violations of the Cable Act and FCC requirements, unlawful requirements over Comcast's chosen technology, and other evidentiary issues with the Staff Report and consultants' reports. Notably, the United States Supreme Court has stated clearly that cable operators are First Amendment speakers, and Comcast explained important objections as to the NSCC's lack of any attempt to justify franchise renewal conditions under First Amendment standards. To view these objections, which the NSCC has done nothing to address, Comcast's refers the cities to its proposal and its "Legal Objections" section beginning on page 14. Comcast has made other objections to the NSCC's counsel during the process, and refers to those communications as well.

While this document is not designed, and should not be required, to state all additional objections to this process, Comcast will address a few recent disputes that should further affect the cities' consideration of the NSCC's recommendation:

A. Disputes over the role of operational funding

Probably sensing the legal difficulty with its actions, the NSCC has lately seemed to act as though a preliminary denial is not about Comcast's refusal to acquiesce to demands for operational funding. Of course, operational funding was the focus of NSCC staff's statements to the public, the focus of the NSCC's public-relations campaign in April (i.e., that Comcast's proposal would stop funding operations and therefore "end" CTV), and the focus of the Staff Report, RFRP, and Supplemental Staff Reports that were incorporated into the NSCC's recommendation—all of which make clear that Comcast would be required to provide PEG operating support to obtain a renewed franchise. Despite the NSCC's recent effort to recharacterize those actions, and the NSCC's past doublespeak that Comcast "shall voluntarily pay" operational costs, there is no question that the RFRP requires Comcast to pay for PEG operations. Indeed, the RFRP states the NSCC's unlawful demand in unambiguous terms: "Current levels of capital and operations funding, and in-

kind support, must be maintained and enhanced as described herein and in the *Staff Reports.*” (RFRP at p.38) The RFRP was built on this unlawful premise, and the NSCC has tried to use the formal process to put pressure on Comcast to acquiesce to that unlawful demand. It was a gamble—a misguided gamble that the cities will have to live with if they accept the NSCC’s recommendation.

B. Untimely supplemental staff reports

The NSCC staff, again behind closed doors, put together supplemental staff and consultant reports that purportedly set forth further review of Comcast’s performance and community needs. The NSCC’s staff had Comcast’s proposal in hand for five months and yet waited until less than one week before it voted on a resolution to make its supplemental reports public and give copies to Comcast. Comcast objected to the use by the NSCC of these untimely reports as part of its ascertainment or review of Comcast’s past performance.

Comcast has also objected to the way the Supplemental Staff Reports were purportedly “incorporated” into the resolution recommending denial, and to the resolution’s lack of specificity as to the basis for denial. The resolution should have precisely stated the ground(s) on which denial is based. Comcast is entitled to know those grounds and the cities, one would hope, would be interested in the same thing. A better-drafted resolution would make the administrative process more cost-effective for all concerned because it would help focus evidence-gathering. Comcast requested actual findings stating the NSCC’s reasons at the May 15 hearing, but the commissioners declined to elaborate.

In addition, the Reports and previous staff comments are tinged with antagonistic rhetoric and improper motivations, including:

- an argument that Comcast cannot charge the fair value for the I-Net because it would “serve to enrich Comcast’s profits” (Supp. R. at 3);
- a rationalization of the NSCC’s demand for the I-Net based on merely saving the government from having paying for services unrelated to cable; (Supp. R. at 2)
- an argument that Comcast should fund NSAC vocational training for videographers through NSCC franchising conditions, (Supp. R. at 6);

- repeated arguments by staff that reducing PEG fees will only result in money “going to Philadelphia, into [Comcast’s] coffers,” a false statement because cable rates are generally standardized in the area.

The above statements are just a few examples showing improper bias and considerations throughout this process—whether against Comcast because it is a private company, against Comcast because its corporate headquarters is out-of-state, or against Comcast because it won’t provide millions of dollars of cash, goods, and services to the NSAC as a condition of doing business.

C. Misstatements about informal negotiations

Though the content of any informal negotiations has no place necessarily in this formal process, the informal process remains the best route to resolving this and Comcast must correct statements by the NSCC’s attorney claiming that Comcast has not engaged in informal discussions. The NSCC’s attorney gave an offer in March that was a far distance from Comcast’s previous offers and, in Comcast’s view, unreasonable. Comcast and NSCC counsel then agreed that the two sides should exchange priorities to see if the gap could be bridged. A few days after the meeting on April 17, where Comcast presented its formal proposal, the NSCC legal counsel and Comcast’s in-house counsel spoke by phone. Comcast’s counsel conveyed Comcast’s priorities and some areas where Comcast may have flexibility. NSCC’s counsel never reciprocated. Instead, he told the NSCC that Comcast had been out of contact with him.

Comcast still desires that the franchise be renewed through an informal process because the process is more efficient, cost effective, and flexible for both sides. But if the cities (acting on the NSCC’s initiative) continue to act on its threat to deny renewal under this formal process, informal negotiations will be jeopardized. Comcast will not allow the formal process to serve as a threat in its informal negotiations with the NSCC.

V. Steps following acceptance of the NSCC’s denial

If the cities follow the NSCC’s recommendation, the law requires an administrative discovery process and hearing, potentially followed by further judicial review. An administrative law judge (ALJ) who is independent and without improper bias is to preside over that hearing and make findings of fact and conclusions of law. The Cable Act, due process, and the Minnesota Administrative Procedures Act (MAPA) require that the hearing follow established processes and rules to ensure the reliability of information that the ALJ considers. The NSCC agreed with Comcast early in this process that they

would jointly decide the process for appointment of an administrative law judge. In what is an apparent attempt to maintain undue control over the process and prevent a fair hearing, the NSCC's counsel has said that the NSCC might "go another route" than an ALJ. The NSCC's counsel also recently attempted to put in place, by resolution from the NSCC, limited and improper "rules" designed to greatly restrict Comcast's ability to gather and present evidence at an administrative hearing. The NSCC adopted these rules over Comcast's objection on May 15. The rules that should apply are those outlined in the established rules governing administrative proceedings before an ALJ—which is what the NSCC agreed to do. Comcast will take all necessary measures to enforce its agreement and its procedural rights going forward.

VI. Conclusion

It bears repeating that according to the Cable Act's key legislative report, the purpose of the protections in the renewal section is to "ensure [an operator's initial] investment will not be jeopardized at franchise expiration *without actions on the part of the operator justifying such a loss of business.*" (Emphasis added.) There is nothing remotely close to any action by Comcast that could justify losing its cable business in these communities and the billions it has invested in infrastructure and good will in this area. No court of law can find a denial justified, nor can it permit the procedural bias and Open Meeting Law violations that have ensued since this process began. For these reasons, Comcast urges the cities to accept Comcast's renewal proposal.

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD JUNE 16, 2014**

* * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on June 16, 2014, at 7:00 p.m.

The following members were present:

And the following members were absent:

Member _____ introduced the following resolution and moved its adoption.

**RESOLUTION NO. 14-38

RENEWAL OF COMCAST
OF MINNESOTA, INC., CABLE FRANCHISE**

WHEREAS, the City of Shoreview (the “City”), is a Member City of The North Suburban Cable Commission, d/b/a The North Suburban Communications Commission (the “Commission”), a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59, as amended, and includes the municipalities of Arden Hills, Falcon Heights, Lauderdale, Little Canada, Mounds View, New Brighton, North Oaks, Roseville, St. Anthony, and Shoreview, Minnesota (hereinafter, collectively the “Member Cities”); and

WHEREAS, a Joint Powers Commission organized pursuant to Minn. Stat. § 471.59 has the statutory authority to “jointly or cooperatively exercise any power common to the contracting parties i.e., the Member Cities;” and

WHEREAS, the Commission was established by the Amended North Suburban Cable Commission Joint and Cooperative Agreement for the Administration of a Cable Communications System, dated June 1990 (the “Joint Powers Agreement”), to monitor Comcast’s performance, activities and operations under the Franchises and to coordinate, administer and enforce the Member Cities’ Franchises, among other things; and

WHEREAS, The North Suburban Communications Commission acts on behalf of its Member Cities, including the City, to monitor the operation and activities of cable communications and to provide coordination of administration and enforcement of the franchises of the Member Cities; and

WHEREAS, the City enacted an ordinance and entered into an agreement authorizing MediaOne North Central Communications Corp. to provide cable service (the “Franchise”); and

WHEREAS, as a result of several transfers of the Franchise, Comcast of Minnesota, Inc., (“Comcast”) currently holds the Franchise in the city; and

WHEREAS, Section 626(a)(l) of the Cable Communications Policy Act of 1984, as amended (the “Cable Act”), 47 U.S.C. § 546(a)(1), provides that if a written renewal request is submitted by a cable operator during the 6-month period which begins with the 36th month before franchise expiration and ends with the 30th month prior to franchise expiration, a franchising authority shall, within six months of the request, commence formal proceedings to identify the future cable-related community needs and interests and to review the performance of the cable operator under its franchise during the then current franchise term; and

WHEREAS, by letters dated October 11, 2010, and November 23, 2010, from Comcast to each of the Member Cities, including this City, Comcast invoked the formal renewal procedures set forth in Section 626 of the Cable Act, 47 U.S.C. § 546; and

WHEREAS, the City and the other Member Cities informed the Commission, by resolution, that they want the Commission and/or its designee(s) to commence, manage and conduct the formal renewal process specified in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), on their behalf; and

WHEREAS, the City has affirmed, by resolution, the Commission’s preexisting authority under the Joint Powers Agreement to take any and all steps required or desired to comply with the Franchise renewal and related requirements of the Cable Act, Minnesota law and the Franchises; and

WHEREAS, the Joint Powers Agreement empowers the Commission and/or its designee(s) to conduct the Section 626 formal franchise renewal process on behalf of the city and to take such other steps and actions as are needed or required to carry out the formal franchise renewal process; and

WHEREAS, the Commission adopted Resolution No. 2011-02 commencing formal franchise renewal proceedings under Section 626(a) of the Cable Act, 47 U.S.C. § 546(a), and authorizing the Commission or its designee(s) to take certain actions to conduct those Section 626(a) proceedings; and

WHEREAS, the Commission performed a detailed needs assessment of the Member Cities’ and their communities’ present and future cable-related needs and interests and has evaluated and continues to evaluate Comcast’s past performance under the Franchises and applicable laws and regulations, all as required by Section 626(a) of the Cable Act, 47 U.S.C. § 546(a); and

WHEREAS, the Commission’s needs ascertainment and past performance review produced the following reports: The Buske Group’s “Community Needs Ascertainment – North Suburban Communications Commission (Arden Hills, Falcon Heights, Lauderdale, Little Canada,

Mounds View, New Brighton, North Oaks, Roseville, St. Anthony and Shoreview, Minnesota)" (July 15, 2013) (the "Needs Assessment Report"); Group W Communications, LLC's, telephone survey and report titled "North Suburban Communications Commission Cable Subscriber Survey (September 2011)" (the "Telephone Survey Report"); CBG Communications, Inc.'s, "Final Report - Evaluation of Comcast's Subscriber System, Evaluation of the Existing Institutional Network and Evaluation of PEG Access Signal Transport and Distribution for the North Suburban Communications Commission" (July 2013) (the "Technical Review Report"); Front Range Consulting, Inc.'s, "Financial Analysis of Comcast Corporation 2012 SEC Form 10K" (May 2013) (the "Comcast Financial Report"); and Commission staff's "Report on Cable-Related Needs and Interests and the Past Performance of Comcast of Minnesota, Inc.," (July 22, 2013) (the "Staff Report"); and

WHEREAS, based on its needs ascertainment, past performance review, best industry practices, national trends in franchising and technology, and its own experience, Commission staff prepared a "Request for Renewal Proposal for Cable Television Franchise" ("RFRP") that summarizes the Member Cities' and their communities' present and future cable-related needs and interests, establishes requirements for facilities, equipment and channel capacity on Comcast's cable system and includes model provisions for satisfying those requirements and cable-related needs and interests; and

WHEREAS, pursuant to Resolution No. 2013-04, the Commission authorized its Executive Committee, Franchise Renewal Committee, Commission staff and/or Commission designee(s) to take all steps and actions necessary to implement, conduct and engage in the entire formal franchise renewal process set forth in Section 626(a)-(g) of the Cable Act, 47 U.S.C. § 546(a)-(g), and to comply with any and all related federal, state and local laws, regulations, ordinances, orders, decisions and agreements; and

WHEREAS, the Commission's delegation of authority to the Franchise Renewal Committee includes, but is not limited to, the issuance of a staff report and RFRP and the establishment of appropriate deadlines for questions and Comcast's RFRP response; and

WHEREAS, in accordance with the authority delegated by the Commission, the Franchise Renewal Committee, by resolution, terminated the Section 626(a) proceedings required by the Cable Act on July 26, 2013, issued the *Staff Report* and RFRP to Comcast, effective July 29, 2013, and instructed Commission staff to deliver the *Staff Report* and RFRP to Comcast no later than July 30, 2013; and

WHEREAS, the *Staff Report* and RFRP was delivered to Comcast on July 29, 2013; and

WHEREAS, the Commission ratified the issuance of the *Staff Report* and RFRP by the Franchise Renewal Committee at its August 2013 meeting; and

WHEREAS, the Commission and Comcast engaged in informal renewal negotiations pursuant to 47 U.S.C. § 546(h) but are currently unable to arrive at mutually acceptable terms, although informal discussions are ongoing; and

WHEREAS, the Commission established November 22, 2013, as a deadline for Comcast's response to the *Staff Report* and RFRP; and

WHEREAS, the Commission and Comcast agreed to extend certain deadlines including the deadline for Comcast to respond to the *Staff Report* and RFRP and the deadline set forth in 47 U.S.C. 546(c) for the Commission and the Member Cities to accept or preliminarily deny the Comcast Proposal; and

WHEREAS, on or about December 20, 2013, Comcast submitted to the Commission its Formal Proposal in response to the *Staff Report* and RFRP ("Proposal"); and

WHEREAS, the Commission published a notice notifying the public that Comcast's Proposal has been received and was placed on file for public inspection in the Commission's office, and that written public comments may be submitted to the Commission; and

WHEREAS, the Commission held a public hearing on April 17, 2014, and May 1, 2014, on the Comcast Proposal; and

WHEREAS, Comcast's proposal was analyzed by the Commission's staff, The Buske Group, CBG Communications, Inc., and Front Range Consulting, Inc., each of whom prepared a separate Executive Summary of Comcast's Proposal (collectively the "Executive Summary Reports"); and

WHEREAS, the Executive Summary Reports identify with particularity whether Comcast's Proposal is acceptable or unacceptable as it relates to the Commission's *Staff Report* and RFRP; and

WHEREAS, the Commission carefully considered all public comment including that contained within the *Staff Report* and RFRP, the Proposal and the Executive Summary Reports; and

WHEREAS, the Commission, on May 15, 2014, adopted a resolution recommending to the Member Cities that the Member Cities issue a preliminary assessment that the Comcast Franchises should not be renewed; and

WHEREAS, despite the Commission's recommendation, the City, after carefully reviewing Comcast's Proposal determines the Proposal meets the future cable-related community needs and interests taking into account the cost of meeting such needs and interests;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SHOREVIEW THAT:

1. Each of the above recitals is hereby incorporated as a finding of fact by the City.
2. The City hereby rejects the Commission's recommendation and renews the Comcast Franchise pursuant to the terms of the Comcast Proposal.

3. The City finds that its actions and the actions of the North Suburban Communications Commission are appropriate and reasonable in light of the mandates contained in federal law including 47 U.S.C. § 546.

The motion of the foregoing resolution was duly seconded by Member _____ and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted the 16th day of June, 2014.

STATE OF MINNESOTA)

COUNTY OF RAMSEY)

CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified City Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council on the 16th day of June, 2014, with the original thereof on file in my office and the same is full, true and complete transcript therefrom insofar as the same relates to renewal of Comcast of Minnesota, Inc. Cable Franchise.

WITNESS MY HAND officially as such City Manager and the corporate seal of the City of Shoreview, Minnesota this 17th day of June, 2014.

Terry C. Schwerm, City Manager