

Watertown City CouncilJanuary 22nd, 2019**Agenda Item: 2019 Legislative Priorities****Request for Action: Adopt Resolution #2019-14, Adopting the Legislative Priorities document****Department: Shane Fineran, City Administrator****Background:**

Annually the City Council has adopted a legislative priorities document that it has shared with state and local legislators. This document sought to outline the priorities and policy positions of the community on various topics ranging from transportation, natural resources, local control, etc.

In reviewing the proposed update for the upcoming legislative season, the City Council directed that the document narrows its focus to three priorities of the community that is largely focused at the decisions made at the state level.

The priorities focused around creating more specific policy positions around Municipal Waste Water Treatment, Transportation and the Small Cities Assistance Fund, and Local Government Aid. All three of these positions have been edited with narrative and specific positions outlined.

The City's policy position on the Point Source Implementation Grant (PSIG) program is for the legislature to appropriate \$100 million or more to this program in the next bi-ennium. This is due to the cost associated with the planned expansion and upgrade of the Waste Water Treatment Facility. The effluent permit issued by the Minnesota Pollution Control Agency will require a significant reduction of phosphorus and other minerals from waste water received. This appropriation would likely provide enough funding for the City to receive the approximately \$6 million it is eligible for on the PSIG list.

The Minnesota State Legislature funded a new program in 2016, 2017, and 2018 that provided aid to municipalities with a population under 5,000 to be used on local road construction and maintenance. This program is a companion program to what is known as the Municipal State Aid program which provides financial aid to cities over 5,000 in population for similar activities. The previous two budget years the City has received approximately \$40,000 annually in aid that it has re-invested into its pavement management program activities such as mill and overlay, street seal coating, and street crack sealing.

The City directly invests state aid it receives in the form of Local Government Aid (LGA) into the community. Rather than utilize these funds to off-set property taxes or supplement revenue sources for operations, the City Council has decided to invest these funds into the capital investment plan of the organization. This plan identifies and funds the long-range investments of the community associated with street construction and maintenance, park and trail maintenance, facility maintenance, fire department apparatus, and other equipment acquisitions that support these functions. The City seeks to protect the LGA formula and program as well as increase the allocation based on inflationary and population increases within a community.

Funding Source:

N/A

Attachments:

2019 Legislative Priorities Document

Resolution #2019-14



The Watertown City Council has adopted the following legislative priorities for 2019. These are issues that will be monitored by city staff and elected officials and the positions of the city will be shared when appropriate. This list is not intended to be comprehensive of all issues of importance to the community at large, but a list of the highest priorities for the organization. During legislative session, other issues may arise that require the city's attention. The City Council will consider its approach or response to those issues on a case by case basis.

Municipal Waste Water Facilities

The City of Watertown lies within the seven-county metropolitan area and offers a unique lifestyle for residents who work and do business all over the region. A vibrant downtown adjacent to the South Fork of the Crow River serves as the commercial and service core to a growing population of 4,400 residents. As forecasted in the Metropolitan Council Thrive 2040 plan, the City has recently put into motion a plan to expand its waste water treatment facility to serve this growing Rural Growth Center. A unique challenge for a community in the metropolitan area that is not served by the Metropolitan Utility Service Area of the Metropolitan Council.

The expanded facility will replace an aging facility built in 1993 and that has reached its theoretical treatment capacity. The facility capacity will be designed to serve the forecasted population growth to 7,200 residents and businesses by 2040. New effluent permit limits set by the Minnesota Pollution Control Agency for phosphorus, daily BOD, and other materials. New effluent requirements will require approximately \$6 million dollars in expansion upgrades out of a total cost estimate of \$11 million dollars to bring the facility online by the year 2022.

This investment reflects roughly 6 times the annual property tax levy needed to support general operations of the city, and will likely be the single largest public infrastructure investment in the community in the next 10 years. The city supports legislation that supports the Point Source Implementation Grant program administered by the Public Facilities Authority with at least \$100 million in appropriations in the next biennium to support eligible infrastructure projects listed on the Minnesota Pollution Control Agency's Project Priority List

Transportation

The City of Watertown benefits from being the convergence point of multiple significant local and state road corridors. The city has been a proven partner in investing local resources cooperatively in upgrading road facilities within the community along state and county roadways, often to the neglect of investment in the local system. However, the City has made the investment in a sound pavement management program that seeks to maintain local roadways to an expected lifespan of 40 to 50 years.

This plan has required local investment on average of \$400,000 for roadway maintenance efforts such as mill and overlay, crack seal, and chip sealing. This investment in maintenance is on top of the annual payments related to debt to support local cost share requirements on state and county roads of approximately \$120,000 annually.

The City Council has committed to ensure that the local transportation network that serves residents and businesses is of adequate quality and that the initial investment is protected and maintained to the longest possible lifecycle. The city supports legislation and policy that supports this position and funds the Small Cities Assistance Program of MnDOT that provides aid for cities under 5,000 in population for local street and roadway construction and maintenance efforts.

Local Government Aid

The City of Watertown supports its residents, provides investment in infrastructure, and provides core services such as road maintenance, potable water, fire protection, and law enforcement with an all funds budget of approximately \$6.3 million dollars. The City Council has prudently managed its resources through long range planning, development of a 10-year capital investment plan, and making manageable increases in fees, charges, and tax levy to support these efforts. These strategic decisions are annually reflected in the city's position amongst its peers as delivering services in a better value per capita.

Aid received via the Local Government Aid (LGA) formula directly supports the re-investment the City makes in its core facilities such as City Hall, park and playground space, street construction & heavy maintenance, and equipment used to maintain public infrastructure.

The City supports legislation that maintains the LGA formula currently in use and opposes the freezing, reduction, appropriation, or limitations placed on the distribution or allocation of support funds. In addition, LGA should be increased to aid in cities' responses to inflationary and population pressures.

Watertown (pop. 4,451) is a vibrant and connected community located in northwest Carver County projected to grow by an additional 2,800 residents by 2040. The "Heart of the Luce Line" is situated along the banks of the South Fork of the Crow River. An easy and picturesque drive to the 494 loop, and conveniently located between US Highway 12 and State Highway. 7, our community offers a robust and convenient lifestyle to its residents. A thriving downtown commercial district connected to the world via free public WIFI and direct access to the Luce Line Trail regional trail, draw consumers and visitors alike. Great local schools, affordable living, and a variety of housing choices await you!

For more information please visit www.ci.watertown.mn.us or Shane Fineran, City Administrator at sfineran@ci.watertown.mn.us or 952-955-2681.

**CITY OF WATERTOWN
RESOLUTION NO. 2019-14**

RESOLUTION ADOPTING THE 2018 LEGISLATIVE PRIORITIES STATEMENT

WHEREAS, the City of Watertown (the “City”) works closely with elected representatives of our community; and

WHEREAS, the City advocates and urges our elected leaders to consider the impacts legislation has on our community; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Watertown, Minnesota, hereby adopts the attached Legislative Priorities and directs its sharing with elected leaders.

Adopted by the City Council of the City of Watertown this 22nd day of January, 2019.

Steve Washburn, Mayor

ATTEST: _____
Lynn Tschudi, Clerk/Treasurer