

State of the Cities Address

Introduction:

We would like to thank all of you for coming and the Waite Park Chamber of Commerce for sponsoring the 3rd Annual State of the Cities Address. We are honored to provide you with an overview of the accomplishments of 2009 while also providing you our direction for 2010.

As we look at this past year, we faced many challenges and took advantage of many opportunities that will move this city forward in years to come. With dedicated council members and staff, we have collectively been able to focus our efforts on moving this city forward while keeping the best interests of the citizens as our main priority. We continue to be committed to making Waite Park a great place to live, work, and play.

Budget Implications:

We began 2009 with addressing the December 2008 unallotments of Governor Pawlenty. With our budgets already being finalized, it forced us to address the unallotments through budget reductions. Each department worked very hard at prioritizing their needs keeping service levels to citizens as a top priority. Additionally, staffing was a priority as well in order for us to continue providing services. The reductions reduced our seasonal staff by two positions, eliminated the summer rec program, limited the hours of the ice skating rink, reduced the hours of our open gym program, increased our reliance on our volunteer intern program in the police department, and reduced staff training opportunities while also reducing council per diems. Although these reductions were difficult, we chose to focus the reductions on programs and services that would least impact the overall community.

Each department remained committed throughout the year at maintaining these budget reductions and we ended the 2009 year successfully while keeping within our targeted budget.

Regional Cooperation:

With a focus for 2009 of doing more with less, it forced us to look at ways that we could work more cooperatively with other area cities. Each department this past year began meeting on a routine basis identifying ways to reduce costs while providing different ways to provide services more efficiently. We were successful with approving a Shared Services Agreement with the cities of Sartell, Sauk Rapids, and St. Joseph. This agreement provides a mechanism for each city to provide staff assistance to the other on an as needed basis. The sharing of these services allows each city to swap services therefore minimizing the costs on having to rely on other sources to provide services.

2009 Grant Awards:

2009 did provide the City with some successful grant awards. We were successful in receiving a \$1.2 million grant from DEED for the Waite Avenue Redevelopment Project, a \$220,000 JAG Grant in conjunction with St. Cloud and Stearns County, a COPS Grant that will pay for the cost on officer for three years, and a \$2.4 million in Federal Stimulus funds for 28th Avenue. The assistance of these grants will allow the city to address staffing issues in our police department, address some regional police server issues, and provide future development opportunities while also assisting redevelopment and transportation needs.

Personnel Highlights:

In 2009, we were also fortunate to celebrate some of the successes of our employees. We are fortunate to have a great staff that remains dedicated to providing a high level of service to

our residents. This past year, two of our employees received accommodations for awards recognizing their continued commitment to our community. Officer Brad Thelen received the medal of valor for a saving a life of two individuals from a pond. This award is one of the most prestigious awards an officer can obtain and we are appreciative to Brad for his efforts.

Additionally, Jud Zellner was successful in winning the State of Minnesota Snow Plowing Rodeo. He competed against hundreds across the State testing his snow plowing skills. He placed first in the State and will have the opportunity to compete in Wisconsin. We are proud of him and his efforts and wish him luck as he continues his competition.

In 2009, we also said good bye to two of our most tenured employees. Jill Bauer, Deputy Clerk-Treasurer retired after 30 plus years of service to the Waite Park community. Ben Theisen also retired after serving as the Police Sergeant-Investigator for over 20 plus year. Losing the experience and expertise they both provided to the City is difficult and has provided us with challenges as we worked this past year with replacing their positions.

Elections:

The 2009 Municipal election re-elected both Council members, Herm Bartz and Frank Theisen to four year terms. I was also elected as mayor to another two-year term. With Waite Park being one of the few entities on the odd-numbered year elections, the Council chose in December of this past year to move the municipal elections to the even-numbered years. This will save the city some money and will also align our municipal elections with the other area cities. With this transition, terms of each council member and mayor will each be extended one year to get ourselves in line with the even year election cycle.

Commercial Development-redevelopment:

As we look back at the commercial development in 2009, we see the economic conditions impacting commercial development more than in previous years. There were small pockets of new development constructed in 2009; however, it has been limited. We are fortunate to see our existing commercial businesses remain stable.

We are pleased to see some completed redevelopment projects in 2009. This includes the Walgreens and Taco John's development located at the northeast corner of Waite Ave N and Division St. (formerly Plaza Park Bank). This site was redeveloped into two new developments. The Walgreens store occupies about 2/3 of the original site and opened the Spring of 2009. The remaining property to the West is the home to Taco Johns that opened early in 2009. These two businesses have been a welcome addition to our community and have been a huge improvement to this corner.

With the new location of the Taco John's, it provided an opportunity for the Best Burger Ever restaurant to remodel the old Taco John's location along 2nd Avenue North and locate their new business in this building. Best Burger is another nice addition to our community and has been open since last year.

The Austrian Schnitzel Headquarters restaurant is another commercial business that located in an existing commercial area. This restaurant opened up in the Market Place Annex filling the former Vietnamese Restaurant. The Pizza Ranch also filled the vacancy of the former Outback Steakhouse located all within the Market Place Annex near K-mart. Both restaurants have been assets to our community and are doing well in their locations.

In 2009, we also welcomed Aldi's, a new grocery store into our community. Aldi's located in half of the former Petter's Warehouse Building. Aldi's remodeled the site and opened in this past fall.

Another highlight of the 2009 commercial redevelopment was the completion of Bitzen's Jewelry. Bitzen's Jewelry was the first phase of the Waite Avenue Development, located across from Crossroads Mall.

It was completed this fall and has been a nice addition to the Waite Avenue area. In addition to completing the first phase of this project, we were successful in receiving a \$1.2 million grant to be used toward public infrastructure improvements to be used in the Waite Avenue Development area. The grant allows the city to continue work on the project and requires that it be completed in the next four years. With the first phase complete, the remaining development will be dependent on the property owners' willingness to sell their properties. This project presents some challenges given the number of property owners involved. There continues to be interest on the part of developers in this area provided both the developer and the property owners can come to agreement on the terms. At this point, the City of Waite Park has taken a step back allowing the property owners some time to come together and find ways to resolve their difference with developers. The City recognizes the project may need to be completed in phases in order to move the project forward. In considering the phased in development approach, the City will need to ensure the overall development provides continuity while ensuring that it meets the overall intended layout and design for the area.

Discount Tire is another business that located in the former Ideal Radiator Building near 1st Street South and 6th Avenue South. They remodeled the entire building and have been open since 2009. We are pleased to have them part of our community.

There are also redevelopment projects that are still under construction. KIA is one example of these that has been under construction over this past year while still being open for business. From beginning with a remodel of the existing buildings onsite to now constructing new buildings, the project has taken longer than anticipated to complete. The construction of the business located along 2nd Street South will be completed this spring.

The Crossroads Cinema Theater property is another redevelopment project still under construction. This is the property formerly known as the old movie theater and is home to Famous Dave's. The remaining portion of this building is currently under construction and is planned for future retail spaces.

While we have made some progress on redevelopment opportunities in our community, there are still other redevelopment areas within our community that have been identified that still remain undeveloped. This includes the area east of 6th Ave S. between Division St. and 1st Street So. This property encompasses the trailer park and Salvation Army property. There have also been locations in the northeast corner of the City on two different sites that are located right across the street from another. The one site is located on the corner of 3rd Street and Waite Avenue and known as the Dropp property. The other site is bound by 3rd Street NE on the south, Hwy 15 on the east, the railroad on the north and extends to the west of the new Waite Ave N extension. There are opportunities within this location that we believe could enhance the already

existing commercial uses in this area. With the Waite Avenue extension being complete, we believe that it is only a matter of time for these sites to develop.

Commercial Development:

We have also had some other additions in our commercial areas not associated with redevelopment. These include the new addition of the Tri-CAP facility. Tri-CAP moved its headquarters out along County Rd #137 located at 1210 23rd Avenue South. As part of this relocation, they also constructed a 3,800square foot addition to house all of their former downtown offices which was completed in October of this past year. The facility now houses all of their services in one location.

Stearns County completed the construction of its new service center in Waite Park. It is located on the north side of County Road 138 west of 33rd Ave South. This building provides space for a license center, health services and other County services. The building incorporated several green construction provisions. It is situated adjacent to a park setting between the building and the Sauk River. It opened this fall.

Residential Development: Enforcement

2009 has been another year where our residential development has sustained the difficult economic times. We continue to see a large numbers of rental properties that presents a challenge for our staff with enforcement. We are also seeing an increase in foreclosures and delinquent taxes over 2009, although the numbers are still small compared to the other communities in the St. Cloud region.

Our focus continues to ensure our rental properties are being maintained by placing continued emphasis on enforcing our rental ordinance. This has been and continues to be a

concern our citizens bring to our attention. It is also our reasoning for being proactive in dealing with rental licensing and complaints. Registrations and inspections have been in place for a couple of years allowing us a mechanism to address any problem properties. This past year, the City contracted with Karen Breeden to conduct our rental inspections and follow through with any enforcement necessary. Our goal is to insure the minimum standard is provided to all our citizens and that our residential neighborhoods are maintained.

We believe the residential development of our community will be focused more on maintaining our existing single-family housing stock while being proactive with our rental ordinance. Until the economy improves and Developer's begin constructing homes, we do not foresee a lot of new developments occurring. We will also be paying attention to any new apartments or rental properties being added to our City. With over 50% of our residential properties being some form of rental, we will have to balance any requests with our desire to diversify our housing stock.

Impacts of Development:

Development within our community has been a great asset but it does come with a cost. The impact on development affects our services provided by all of our departments. Additional impacts occur on our infrastructure and street system as well. Recognizing these impacts proactively has been the focus of our City. We continue to commit resources into planning tools that can assist us in anticipating our future needs of our community.

We were successful in receiving ARRA funds from the federal government to complete the 28th Avenue/County Road #137 extension. 28th Avenue is the road by Fleet Farm. This roadway is planned to be extended south and will connect up with County Rd #137. Securing

these federal funds has been a major accomplishment for us this past year. It will allow us to complete the entire project in one phase rather than into two phases as originally planned. This roadway will be a major key in the southern development of our community extending both the roadway and services into this portion of our community that is mostly undeveloped. The project began the fall of 2009 and will be completed in 2010.

The Waite Avenue/44th Avenue project was completed in the fall of 2009. This project extends 44th Avenue in St. Cloud with Waite Avenue in Waite Park near Apollo High School in St. Cloud and the Crossroads Mall area. Recognizing this extension as a new entry point into our community, the City paid attention to the aesthetics and added some landscaping and decorative lighting. This project was paid for with sales tax dollars and we are pleased with the end result.

We also moved forward with the addition of a right-hand turn lane at the corner where CDI is located which is the 2nd Street South and 2nd Avenue South. The project was awarded this past fall and will be completed early spring of 2010. This project will be completed with Sales Tax dollars.

Moving these projects forward will provide the City with some much needed enhancements, however, it will also make it difficult for us to move any other transportation projects forward until the economy or other funds become available. We continue to prioritize our projects through our Capital Improvement 5-year plan but projects will be delayed until the economy improves.

Being part of the St. Cloud region and having connected roadways presents us with some challenges when it comes to timing of these projects and funding. We have had some

discussions with the city of St. Cloud and Stearns County regarding the 33rd Street Interchange on Hwy 15. Both entities would like to see this project move forward now, however, we are not in a position to construct this interchange at this time.

We also see the need to make improvements on 10th Avenue with existing traffic along 10th Avenue south in addition to the planned improvements with the West Metro Corridor which will extend from St. Cloud's Pine Cone Road to 10th Avenue in Waite Park. At this point, we have are in the process of completing a study to understand the full impacts this extension will have on 10th Avenue hoping to identify the best ways to address the traffic. The improvements to 10th Avenue will require Federal assistance and will be a project we continue to look towards for securing future funding.

Park Development:

The City has placed emphasis in improving our parks and trails systems to provide for additional recreational opportunities for our residents while also making it a more walk able friendly community. As part of this emphasis, we have completed the first two phases of the River's Edge Park. These two phases included the addition and relocation of some ball fields, improvements to the parking lot area, additional trails, along with a new splash pad. The project was completed late this fall and will be in full use this summer.

We also awarded the contract to proceed with extending the 3rd Street North Trail. We received a very generous donation from a Waite Park native for this trail extension. With this generous donation we will be able to connect our trails along River's Edge Park with Waite Avenue trails. This project will be completed in early spring of 2010.

A second phase to this trail project will add an addition to the STAR Rail Project. The STAR Rail Legacy is a group of individuals that have spent the last couple of years researching the railroad history in the St. Cloud area. This group has an interest of placing a railroad museum in one of the old Burlington Northern car shops located along 3rd Street. In addition, they would like to locate rail cars along the parking lot area on 3rd Street as a first phase of their museum. We are in the process of reviewing their plans and identifying ways this can be achieved. It is possible that a portion of this project could be completed yet this year.

DigElog and Communicating with the Public:

The City continues to find ways to best communicate with the public. With the City Council, Planning Commission, and Park Board meetings all televised, we believe we have made some progress in this direction but believe we can reach more members through other venues. In 2009, our local paper, *The Newsleader*, discontinued providing its services in our community. This created a void for us as we used the Newsleader weekly to provide updates to our businesses and residents of our community. In an effort to address this, the City teamed up with DigElog to provide both online and cable updates to our residents. DigElog provides businesses and residents with all relevant information pertaining to the Waite Park Community from updates from the City, to school and community events, to resident and business owner information. The DigElog site is funded by business advertisements. It links the website with email, facebook, twitter, and our cable television providing residents and business owners with up to date information. Crime alerts, snow emergencies, project updates, and even council meetings can be viewed on this site. We encourage you to check out the new website at www.digElogWaitePark.com. As we continue to move in this direction of providing information

to our residents, we will continue to make further enhancements both the website and to our cable television programming.

2010 Census:

Reaching out to the public and providing them with as much information as we can is an important aspect we continue to work on. This outreach is particularly important with the 2010 Census fast approaching. The census counts are very important to a city as the population figures are used in calculating many of our state and federal assistance programs, in addition to being a factor of eligibility for many various programs and services. Our staff has been reviewing and ensuring that our addresses are up to date. We have teamed up with the other area cities Complete Count Committee in an attempt to provide more education and outreach to the public on the importance of the census. We hope that our residents will provide the cooperation necessary for the U.S. Census to get an accurate count of our residents. With the number of rental and apartment complexes we have in our community, we know they present challenges as populations in these facilities fluctuate more than other residential dwellings.

City Services:

While there continues to be a lot of activity in our community, we also believe it is important to share with you some of the essential services we provide. Each of our departments is involved in many of the activities listed above, however, they also provide many other services to our community that we believe are important to highlight.

Public Works Department:

The City of Waite Park's Public Works Department has 11 employee's who are responsible for the operation and maintenance of City's; Buildings & Grounds, Library, Animal

Control, Streets, Snow/Ice, Traffic Signal and Signs, Street Lighting, Weed Control, Residential-Refuse Collection, Park & Recreation, Storm Water, Sanitary Sewer & Water systems. Bill Schluez our Public Works Superintendent provides the oversight to the many facets this department is responsible for. The department does an excellent job providing these services to our community and we are proud for their continued dedication to this city.

2009 was a year of many challenges for the Public Works Department. We started the year instituting a 5% budget reduction in the department. The department also started the year off with less than a full staff as we had a couple of employees out on personal leaves. This meant we had to do some minor shifting of job assignments and reassigned priorities within the department. It should be noted that all of our Public Works staff stepped up to the plate during this timeframe. The department also faced an interesting start of the year in regards to snow removal. We did not receive the big major snowfalls but instead dealt with many small snow and ice events, which tasked our staff and salt supply for the year pushing us to use a rationing method later in the year to insure we had enough salt to finish the season. We finished the rest of the year on a strong note getting all of our planned work done with a full staff.

Here is a brief recap of some of the major items to note within the Public Works Department:

Streets

In 2009, we initiated the seal coating program, the program is set to seal coat all streets, alleys, and city owned parking lots on a rotating schedule of 10 years. In 2009 we planned to start rehabilitating sidewalk pedestrian ramps to ensure they meet ADA requirements, but with the 5% budget reductions the city implemented, we had to push this back to 2010.

Parks

We finished the first two phases of the Rivers Edge Park Improvements this past fall. This project does have small items that will need to be completed in the spring, but will be done the summer of 2010. The amenities which were included in the first two phases: 2 new ball fields, one on which will have a grass infield for little league, the other will have a lime infield, which will be used for younger baseball and softball. Both fields have dugouts, lights, fencing, bleachers, irrigation and scoreboards. We also relocated the batting cages to the north end of the park. We also built the first portion of the trail that will ultimately go around the whole park and be part of the future Wobegon Trail. A splash pad, playground equipment, benches and picnic tables with shade structures, expanded grass parking lot, additional internal sidewalks/trails, pedestrian lighting, skating and hockey rink lighting which is controlled through an internet web site are other features added. Landscaping, which includes; trees, shrubs and flowerbeds. 2 new buildings one of which will serve as the bathrooms and storage area located on the north side of the rinks and will serve the new ball fields. The other building will serve as the bathrooms and equipment room for the splash pad equipment. The splash pad will utilize a recycling system for the water thus saving money and conserving water. We also made improvements to the existing warming house building by putting split faced concrete block on the exterior to match the rest of the buildings in the complex. These phases are being paid for from the ½ percent sales tax collected by the City.

Storm Water

In the coming months the city will be implementing separate Storm Water Utility fee to help fund the requirements of the NPDES phase II regulations.

Sanitary Sewer

All the area cities have recently agreed to accept the bid for the Rehabilitation, Upgrade and Expansion to the St Cloud Wastewater Treatment Facility. Construction will start shortly and take upwards of two years to complete. The City will incur considerable cost in the coming years related to the Sanitary Sewer System. Not only do we have the cost of the treatment facility, but we will also face large costs for rehabilitating the area's sewer interceptor system. Interceptor pipes are large pipes that carry all of the neighboring cities sewage to the wastewater treatment facility. As this project continued to progress, the City of Waite Park did express concern with it moving forward. The council passed a resolution requesting the project be delayed to allow cities an opportunity to deal with the additional expenses related to the rehabilitation of the sewer interceptor system. The City also felt that given the economic conditions we are all faced with that now was not the time to move this project forward. The difficulty with the City's position is that our reluctance to move forward would put a halt on the entire project. Other cities needs with this project were not the same as ours. Some cities have capacity issues and the need for the expansion is vital for them to continue to develop as a city. For Waite Park, capacity was not an issue for us at the present time. After further review and consideration of the project, the City of Waite Park did agree to proceed recognizing the overall importance for the St. Cloud region.

Projects

The Cities of Waite Park and St Cloud finished the combined project of Waite Ave / 44th Ave. This was a project of great complexity and took two construction seasons to complete. Some of major items that were done in order to build this project were; relocation of railroad

lines without disrupting rail traffic, excavating in a superfund site, where all the dirt had to be tested for contaminants, installation of new semaphores at 3rd St north with out closing the street, We also installed streetscaping on Waite Park's portion which included decorative street lighting for the street and bike path, the street lighting poles have banner brackets and flower basket brackets installed on them, the other feature that was included on the street light poles was a drip line for watering the hanging flower basket which is tied into the irrigation system that was installed to water the boulevard tree and landscaped medians.

The City also started late this fall the 28th Ave South extension project. The project when it's completed will connect at Highway 23 and met up with County Road 137. This will allow another north south route into Waite Park from the southwest part of the city. Currently the only other north south route is 10th Ave and this will alleviate traffic on the main corridor. The project consists of installing watermain, sanitary sewer, storm sewers, bike paths, sidewalks and a new sewer lift station to serve the southwest growth area of our city. This project received roughly \$2.4 million federal stimulus dollars to help offset the cost of this important project to expand into our future growth area. The project will be completed in late summer of this year.

2010 Goals:

As our public works department looks towards 2010, we continue to manage the services we provide in the most efficient and effective manner possible. We intend to focus our efforts on streamlining services and look for opportunities where we can partner with others. We continue to meet regularly with other public works departments in the area identifying ways that we can look at our services on a more regional level. From combining bids to animal control to regional

compost sites, we intend to focus our efforts on exploring these possibilities for further collaboration.

Police Department:

Overview

The Police Department has 12 full-time sworn officers with a department of 15 employees. Chief Dave Bentrud continues to run the department and has been doing an excellent job for the City of Waite Park. This past year represents some unique challenges in the police department but it also presented some unique opportunities. The state budget crisis caused the department to cut back expenditures in several areas including officer training, supplies, uniform purchases to name a few. The department responded to 7,113 incidents in 2009 compared with 6,685 in 2008. The department did a very good job saving costs by using college work-study student's to assist with Records and streamlined the departments report writing procedures. Unfortunately some programs like the Summer PALS program for area youth was cut.

2009 A Year in Review

The spring thaw caused significant flooding of the Sauk River. This flooding impacted several homes and businesses in the city though not as extensive as other parts of the county.

The department was the recipient of two grants as a result of federal stimulus programs. One included being awarded a grant to hire a new police officer. Waite Park was one of only 14 agencies to be awarded this grant in 2009. Under this grant the first three years of the officer's salary will be covered. In addition, Waite Park Police Department along with the St. Cloud Police Department and the Stearns County Sheriff's office were together awarded \$220,000.00 in a federal Justice Assistance Grant (JAG). Current plans call for these funds to be used to merge

two separate law enforcement computer servers into one single computer server thus improving efficiency and saving employee time. The planning and development of this project is on-going.

Officer Brad Thelen received the departments Medal of Valor award for rescuing two men who went into a pond and were struggling to stay above water. Officer Thelen's risked his own safety to rescue these two men. A Medal of Valor ceremony was held during a City Council meeting.

Sergeant Benno Theisen retired from the department after a 30 year law enforcement career. His knowledge and experience as an investigator will be missed.

The Metro Cities have been working hard to find ways to work more cooperatively together. The cities of Sartell, St. Cloud, St. Joseph, Sauk Rapids and Waite Park have discussed opportunities to train together and to share resources. These discussions will continue in this new year.

The department continues to participate in the Metro Citizen's Police Academy. The academy consisted of area law enforcement agencies putting on an 11 week law enforcement class. The class was made up of local citizens that wanted to learn more about their police departments and the job of a police officer. A new Spousal Academy patterned after the citizen police academy model was held in 2009. Several spouses of Waite Park PD officers participated in this academy.

Emergency Management Issues – The H1N1 health scare did not cause significant problems for the department or city. The preparation and planning for future outbreaks of this type will be on-going.

Looking Ahead to 2010:

1. The Alternative Learning Centers for District 742 will be consolidating in the fall of 2010 in the McKinley location. The ALC-Wilson program in St. Cloud will be moving to Waite Park and sharing space with the current ALC-Pace program currently housed at McKinley. The department is currently developing a plan to provide a full-time School Resource Officer to work with students at McKinley and Discovery Schools.
2. Continuing working with the St. Cloud Police Department and the St. Joseph Police Department to develop and implement an emergency response plan that will be the same in all District 742 buildings.
3. Continue to develop partnerships with area businesses and other law enforcement agencies to reduce the impact of financial crimes on area businesses.

Building Department:

In our Building and Planning Department, we are pleased to have Bill Barber serving as our Building and Planning Coordinator for the City of Waite Park. The Building Department is located within city hall and has four additional staff within this department consisting of two contractors for electrical and rental code enforcement, the Fire and EMS Coordinator, as well as the Building and Planning Assistant. Our Fire and EMS Coordinator, Jeff Howe, continues to be on military leave. We look forward to his return sometime in 2010 and continue to cover his responsibilities with staff and also the assistance of Karen Breeden.

In 2009 we did see an increase in building permit activity with a total of 565 building permits being issued. This is approximately 100 more than the previous year. This increased permit activity does not however correlate with an increase in valuation. The total valuation

decreased from around \$18 million in 2008 to approximately \$11 million in 2009. We believe this is reflective of the economy and still remain hopeful that this will improve for 2010.

We continue to be actively involved in improving our processes and are pleased to continue to work with Stearns County and St. Joseph Township in streamlining the process needed to consider for any potential development within the orderly annexation area. The orderly annexation area is an area that has been defined by both the City of Waite Park and St. Joseph Township has future development of the Waite Park community. Presently, the process applicants must go through is rather cumbersome and takes several months for approvals to be in place. Our efforts with working with the County and St. Joseph Township will make the process much smoother for all involved. We anticipate making changes to this process sometime this Spring. We are excited to implement these changes and believe that these changes will create a template for other Townships within Stearns County and other cities to consider implementation.

We have completed the new sign ordinance including new provisions for Off-Premise signs and now allow digital signs, which has been a great asset to the business community. We also completed a review of the City Zoning and Subdivision ordinances and made several changes that allow for better clarification. Will also be reviewing the Comprehensive Plan for the City to determine if there are any areas in the document which need to be changed or updated.

Other highlights from 2010:

The focus for 2010 for the Department will be to continue work with new and existing businesses located within our community. We have been fortunate to maintain the number of existing business and we welcome the opportunity to work with any others interested in our

community. Our focus will be on providing more user friendly services to our community. We intend to focus our efforts on improving our application processes to ensure they are user friendly for the applicant and will look at ways to streamline our processes.

Efforts will also continue in the area of enforcement as well. With the increased number of foreclosures and rental properties, we continue to see an increase in the number of nuisance related complaints. Our citizens continue to be concerned with conditions of property and we intend to work with the property owners to ensure compliance with these ordinances. We will continue to monitor the foreclosures and rental properties and will address any problems as they arise.

We also continue to work with the other area cities in identifying services that have the potential of being regionalized. The Building Departments already provide back up to one another on as needed basis for building, fire, and rental inspections. The Building Officials also meet regularly to look at other opportunities where services can be shared or combined. The focus has been on reviewing fee structures and identifying where there are differences. Efforts will continue to be placed in this area for regionalizing services.

Fire Department:

The Fire Department continues to provide a high level of service to our community. Fire Chief Gary Curtis continues to lead the department with the assistance of the Assistant Fire Chief and four captains. Efforts have been centered on continuing to provide the necessary training and equipment that firefighters need. With budgets being cut, it has forced the department to look at being creative in addressing these needs. Senior firefighters have become qualified to teach newer firefighters in addition to working more with the other area departments whenever

possible sharing in the expense of the training. The department was also successful in receiving some funding from the State to assist in the training costs.

The department also focuses on looking at ways to replace the pagers and other equipment necessary for them to stay in compliance with OSHA and other regulations. As budget continues to be tight, these things become more difficult to replace when necessary. Additional efforts have been placed on updating the department's suggested operating guidelines to ensure proper procedures are being followed always keeping firefighter safety in mind.

With many firefighters having served on the department for over 20 years, recruitment and retention of firefighters continues to remain an important goal. The training necessary to become a firefighter and to maintain that status of a firefighter is becoming more of a challenge given all the requirements. The Department will continue to look at ways to train younger firefighters by encouraging them to look at the fire department as a long term commitment so that when the senior members retire, the department will still be in good hands.

The Fire Department continues to work on the long and short term plans as the city grows. We continue to be active with the surrounding Fire Departments in the Central Minnesota Fire Aid Association identifying ways that we can continue to work more cooperatively with one another.

The Waite Park Emergency Operations Plan is being continually updated to insure compatibility with the Stearns County Emergency Operations Plan. This past year, we have and continue to review the possibility of Stearns County assisting us with this function. Stearns County could keep our Emergency Operations Plan updated and provide us with the necessary

training to ensure the plan could be implemented properly. This option is still being explored at this point as there is a cost to them providing this service.

Administration Department:

The administration department has five full time employees including City Administrator Shaunna Johnson and Finance Director Keith Lindberg. The Administration Department has been focused on the financial impacts placed on the City given the state budget impacts and decrease in revenue with the decreased amount of commercial activity. In 2009, we were forced to cut our budgets to address the December 2008 and 2009 unallotments of Local Government Aid totaling over \$281,961. In addition to these cuts, the City was also unallotted \$370,095 for 2010.

In anticipating the cuts, the City became very proactive and addressed the shortfalls early on in 2009. Each department was forced to reduce their budgets taking into consideration the impact on services and we are pleased to end the 2009 year within our reduced budget. Budgeting for 2010 has also been a challenge given we had already cut department budgets as much as we possibly could without having to impact services in addition to being limited by levy limits. We balanced the budget with levying back what we could as we recognized the impact of not funding our capital improvement plan was having on our overall budget. Our capital improvement plan provides us with a five to ten year outlook on replacement of equipment, vehicles, facilities, and other larger ticket items. We normally budget approximately \$300,000 to \$400,000 a year to address the capital needs of our city. Over the last three years, the plan has only covered lease expenses thus creating a wave of with capital needs continuing to be pushed

back. We will be forced to deal with the capital needs in the future and will continue to work with each department in identifying what these needs are and how they should be addressed.

2009 presented the administration department with some staffing challenges as well. We said good bye to Jill Bauer our Deputy Clerk-Treasurer of over 30 years. We replaced her position with Karla Virnig our former Utility Clerk and then hired Margaret Wolf as the Utility Clerk. This transition into positions, along with an additional employee being seriously ill added the department being short staffed the majority of the year.

While we faced many challenges, we also were able to take advantage of many grant opportunities that allowed us to move some projects forward that would have not normally been done. We are pleased with the amount of projects we completed in 2009 and look forward to the economy to turn around so that other projects can be moved forward as well.

We continue to explore regional opportunities in an effort to provide more efficiency in our services and decrease costs to our property owners.

As we move into 2010, we continue to become less reliant on State funding as a source of revenue. The past couple of years have been difficult because of the unpredictability of State funding. The State of Minnesota's financial problems are very large and we understand that cuts to cities are going to be necessary for the State to balance their budgets. In 2010, the State's budget issues will not have as much of an impact on our budget given the majority of the 2010 unallotment has already taken our Local Government Aid and Market Value Homestead. We still would like to find ways to partner with the State to find permanent solutions to their budget problems. Local Government Aid and Market Value Homestead are valuable programs that

provide tax relief directly to property tax payer and are programs necessary for many greater MN cities to survive.

It will be important for us to continue to identify ways that we can reduce spending and look at areas that we can share services with our surrounding cities. We continue to be an example of great regional collaboration in the St. Cloud Area. Many across the State look to our area as leaders in regionalism. From public safety areas, to wastewater, to regional sales tax we already do a considerable amount regional service. We continue to work on identifying other areas in which we can do additional collaborating and will continue these discussions with the other area cities. We continue to believe there are many services we provide that could be done collectively while maintaining our own city's identity.

Closing:

We faced many challenges and have taken advantage of many opportunities that will move this city forward in years to come. In tough economic times, we have been fortunate to receive grant funds that allowed us to continue with projects that would not have otherwise been able to be completed. We have also taken advantage of our sales tax revenues to enhance our parks and trails, as well as completing a much need 2nd Avenue/2nd Street turn lane, as well as the extension of Waite Avenue.

Our budgets have been challenging but with dedicated staff and council, we have been able to minimize the impacts to our residents and our service levels. We will continue to look for opportunities where we can work on providing services on a regional level while maintaining the services most important to our residents. We see the impact of having a large number of rental properties in our community and are committed to addressing these issues through enforcement.

We are fortunate to have a council and staff that continue to remain committed to doing what is best for this community making Waite Park a great place to live, work, and play.