



To: Mayor and City Council
From: Dylan Mulfinger
Subject: Snow Removal
Date: 11/14/2022

In the winter of 2021/2022, City Council was approached by Lonnie Achenbach and Curt Solsma for snow removal from their property. Lonnie stated Curt and himself had been pushing onto the library lot for years and had no issues until the city sent a letter requesting that they no longer put snow on city property.

Council directed staff to work on a lease agreement after the decision to sell the ground was not in the city's best interest. Mulfinger took up the task and is reporting back to council.

To lease public ground, the city loses its tax-free status and must now pay property tax. If the city were to lease 12,000 square feet, the city would pay roughly \$228 annually. This would require council to approve a lease, the city to notify the county, and the city to pay the property taxes on an annual basis.

However, now the city provides this service to one; in fairness, it should provide this service to all contractors who move snow. The city has been approached by two other contractors who want to store snow on City property. This would mean adding leases, billing these companies annually, and ensuring payment is provided.

If the city wants to avoid paying property taxes, the city could charge for adjacent lots to push snow into the city's snow pile. The city would charge an annual fee to anyone interested in this service. Base on five annual snow falls a year, the city would charge a flat rate at the beginning of the year of \$.50 per square foot of removed area. Sales tax would need to be included in this service. The city would determine the size of the area. Based on the request, the city has run some scenarios below:

- Achenbach 8,533 sq ft \$4,266.50
- Solsma 2,563 sq ft \$1,281.50
- Business A 7,737 sq ft 3,868.50
- Church 12,924 sq ft \$6,462.00
- Business B 6,262 sq ft \$3,131.00
- Business C 21,158 sq ft \$10,579.00
- Business D 4,350 sq ft \$2,175.00
- Business E 14,948 sq ft \$7,474.00

Fifty cents a square foot was a rough estimation based on the following factors:

- Five annual snow events
- Equipment Time
 - Loader
 - Dump truck
 - Skid loader
- Staff Time
 - City Administrator



- City Attorney
- Public Works Director
- Assistant Public Works Director
- Grade II operator
- City Clerk
- Bookkeeper

The city charges \$200 an hour on the fee schedule for one person and one piece of equipment. Based on one hour minimum to move snow we would charge \$400 an hour. I have supplied the square foot idea to ensure we can charge based on the amount of snow.

Council has three options:

1. Move forward with the lease option and use staff time to create and maintain leases for snow removal
 - a. Not recommended by the City Administrator
2. Move Forward with the snow hauling charge and offer it to business in the downtown
 - a. Not recommended by the City Administrator
3. Drop the request and let private businesses work with private business for this service
 - a. Highly recommended by the City Administrator

The City Administrator recommends allowing the private sector to sort out this service. The city began enforcing this code to ensure that snow removal operations were standardized, and so the city did not take any snow from private lots. At no time did any business receive permission to pile snow on public ground. The City is still working on this issue and follows up with property owners annually. If the city is to be fair with this service, it will turn into a significant amount of work for Public Works and City Hall. This service is provided by private businesses and the city does not need to provide this service.