

GLENCOE CITY COUNCIL MEETING MINUTES
MAY 7, 2018
7:00 P.M.

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

CONSENT AGENDA

Motion to approve consent agenda by Councilor Ziemer, second by Councilor Neid. Members voting in favor, Neid, Ziemer, Alexander and Schrupp. Robeck voted no. Motion carried.

A. Approve the minutes of the regular meeting of April 16, 2018.

B. Approve the following building permits:

1. Jeff Scharpe, 215 Edgewood Dr S.; New Home
2. Rich Westlund, 820 Sumac Lane; Finish Basement, Remodel
3. James Raiter, 205 Fairway Circle; Misc-Repairs
4. GJW Group, 1209 Pryor Ave N; Mobile home
5. Deb Blazinski, 2104/2106 9th St E; Deck Rebuild
6. Howard Bulau, 211 20th St W; New Home
7. Bruce Zehnder, 306 Edgewood Dr S; New Home
8. Glen Knoll Properties, 703 15th St W; Mobile Home
9. Compeer Financial, 1710 10th St E; Mechanical Permit
10. Glen Knoll Properties, 713 15th St W; Mobile Home
11. Martha Guerrero, 1311 Hennepin Ave N; Mechanical Permit, Plumbing Permit
12. Jenny Wolff, 1528 15th St E; Window Replacement
13. Robert Ludowese, 102 Douglas Dr; Re-roof
14. Norb Hemman, 1306 Fir Ave N; Entry doors
15. Ryan Voss, 929 12th St E; Re-roof
16. KFB Properties, 821 Greeley Ave N; Re-roof
17. Kevin Rhamaoua, 610 16th St W; re-roof
18. Dan Perschau, 325 Scout Hill Dr; Re-side
19. City of Glencoe, 911 Greeley Ave N; Mechanical Permit
20. Greg Urban, 1707 1st St E; Re-roof
21. Jeremy Siers, 102 Wacker Dr; Patio Door

C. Approve the following licenses:

1. Go For It Gas, 3.2 Off Sale License renewal
2. Coborn's, Retailer's Fireworks Permit

D. Book Transfers

1. \$22,344.05 from General to Municipal State Aid for Hennepin Ave Project
2. \$6,514.80 from General to Engineering Inspection Services for Hennepin Ave Project
3. \$58,264.91 from 2018 Storm Water Improvement to Storm Water Management for Storm Water Improvement Project

PUBLIC HEARINGS: None Scheduled

BIDS AND QUOTES:

A. 2018 CENTRAL STORM CORRIDOR PROJECT

1. ENGAGE BOND COUNSEL

Due to lack of expedited bond counsel from Andrew Pratt with Eckberg Lammers Law Firm it is recommended to engage the Dorsey Law Firm as Bond Counsel. Councilor Ziemer motioned approval of engaging Dorsey Law Firm. Seconded by Councilor Neid. Members voting in favor Ziemer, Neid, Schrupp and Alexander. Robeck voted no. Motion carried.

2. REIMBURSEMENT RESOLUTION NO. 2018-09

Paul Donna, R.W. Baird, explained the requirements of the process for the City to be reimbursed for costs already incurred for the Central Storm Project.

Councilor Neid introduced the following resolution and moved for its adoption, motion seconded by Councilor Robeck:

RESOLUTION NO. 2018-09

RESOLUTION RELATING TO FINANCING OF CERTAIN PROPOSED PROJECTS TO BE UNDERTAKEN BY THE CITY; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council of the City of Glencoe, Minnesota (the "City"), as follows:

1. Recitals

(a) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the "Regulations") dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse the City for project expenditures made by the City prior to the date of issuance.

(b) The Regulations generally require that the City make a declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued series of bonds within 60 days after payment of the expenditures, that the bonds be issued and the reimbursement allocation be made from the proceeds of such bonds within the reimbursement period (as defined in the Regulations), and that the expenditures reimbursed be capital expenditures or costs of issuance of the bonds.

(c) The City desires to comply with requirements of the Regulations with respect to certain projects hereinafter identified.

2. Official Intent Declaration.

(a) The City proposes to undertake the following project or projects and to make original expenditures with respect thereto prior to the issuance of reimbursement bonds, and reasonably expects to issue reimbursement bonds for such project or projects in the maximum principal amounts shown below:

<u>Projects</u>	<u>Maximum Amount of Bonds Expected to be Issued for Projects</u>
Intersection of 18th St. and Loudon Ave.	
Intersection of 16th St. and McLeod Ave.	[]
12th St. from Hennepin Avenue to Knight Ave.	
15th St. from Judd Avenue to Knight Ave.	

16th St. from Judd Avenue to Louden Ave.
14th St. from 1/2 block West of Judd Ave. to 1/2 block East of
Judd Ave.
Judd Ave. from 13th St. to 16th St.
13th St. from Judd Avenue to 1/2 block West
11th St. from Judd Avenue to 1/2 block East
Knight Avenue from 15th St. to 16th St.
Storm Sewer and Sanitary Sewer Alignment from 9th St. to
13th St., generally between Ives Ave. and Knight Ave.
Sanitary Sewer CIPP on Russell Ave. from 13th St. to 14th St.

(b) Other than (i) de minimis amounts permitted to be reimbursed pursuant to Section 1.150-2(f)(1) of the Regulations or (ii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, the City will not seek reimbursement for any original expenditures with respect to the foregoing projects paid more than 60 days prior to the date of adoption of this resolution. All original expenditures for which reimbursement is sought will be capital expenditures or costs of issuance of the reimbursement bonds.

3. Budgetary Matters. As of the date hereof, there are no City funds reserved, pledged, allocated on a long term basis or otherwise set aside (or reasonably expected to be reserved, pledged, allocated on a long term basis or otherwise set aside) to provide permanent financing for the original expenditures related to the projects, other than pursuant to the issuance of the reimbursement bonds. Consequently, it is not expected that the issuance of the reimbursement bonds will result in the creation of any replacement proceeds.

4. Reimbursement Allocations. The City's financial officer shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the reimbursement bonds to reimburse the source of temporary financing used by the City to make payment of the original expenditures relating to the projects. Each reimbursement allocation shall be made within 30 days of the date of issuance of the reimbursement bonds, shall be evidenced by an entry on the official books and records of the City maintained for the reimbursement bonds and shall specifically identify the original expenditures being reimbursed.

3. RESOLUTION NO. 2018-10 TO ISSUE GO BONDS SERIES 2018

Paul Donna of R.W. Baird, discussed with the Council the finance plan for the Central Storm Corridor Project. Plan includes estimated sources and uses, debt service, debt service cash flow and financing timetable.

Councilor Schrupp introduced the following resolution and moved for its adoption, motion seconded by Councilor Ziemer:

RESOLUTION NO. 2018-10 RESOLUTION APPROVING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2018

BE IT RESOLVED by the City Council of the City of Glencoe, State of Minnesota (herein, the "City"), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its general obligation bonds, pursuant to Minnesota Statutes, Chapters 429, 444, and 475 in the total aggregate principal amount not to exceed \$7,200,000 (herein, the

“Bonds”). The proceeds of the Bonds will be used, together with any additional funds of the City which might be required, to finance the costs of various street improvement projects in the City and improvements to the City’s water main, storm sewer, and sanitary sewer systems.

2. The City Council desires to proceed with the sale of the Bonds by direct negotiation with Robert W. Baird & Co. (the “Underwriter”).
3. The Mayor and the City Administrator are hereby authorized to approve the sale of the Bonds and to execute a bond purchase agreement for the purchase of the Bonds with the Underwriter, provided that the true interest cost of the Bonds does not exceed 4.0%.
4. Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. The Underwriter is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and City Administrator have not approved the sale of the bonds to the Underwriter and executed the related bond purchase agreement by December 31, 2018, this resolution shall expire.

Upon a roll call vote Members voting in favor were Neid, Ziemer, Alexander and Schrupp. Member voting no, Robeck. Whereupon said resolution was adopted and approved.

B. JETTER TANK REPLACEMENT

Public Works Director Schreifels reviewed the three quotes for the Jetter water tank replacement.

Discussion was held concerning the rental of the trailer and if choose the high bid and shorter rental time the city could save money. The higher quote still requires that a jetter would be rented but hopefully for a shorter period of time. The Public Works Director stated it would be unfair to the taxpayers not to have a jetter available if a problem would occur.

Motion by Councilor Ziemer to accept low quote of OEM and trailer rental in the amount of \$6,209.37. Motion failed for lack of second.

Motion by Councilor Robeck and second by Councilor Neid to accept the higher quote from Revier in the amount of \$3,938.00 and trailer rental for down time of repairs at \$1500 per week. Voting in favor, Robeck, Neid, Alexander. Voting no, Schrupp and Ziemer. Motion carried.

C. ASBESTOS REMOVAL 1128 HENNEPIN AVE

City Administrator Mark Larson presented the quotes for asbestos removal at 1128 Hennepin Avenue. VCI Environmental, Inc. was the low quote in the amount of \$6,060. Discussion led to Councilor Robeck motioning to accept the low quote from VCI. Councilor Ziemer seconded. All members voted in favor.

D. ELLIOTT AVENUE RAIL CROSSING IMPROVEMENT

Tim Jeske of TC & W Railroad reached out to the City to accommodate a request of the Planning Commission to repair the Elliott Avenue crossing rather than close the street at

that location. The Railroad would agree to supply the labor if the City pays for the materials and asphalt work.

Discussion led to a motion to table to consider the request further and to discuss funding of the project. Councilor Neid motioned with Robeck seconding. All members voted in favor.

REQUESTS TO BE HEARD:

A. RECYCLING DUMPSTERS REQUEST

Councilor Schrupp suggested that the County move the recycling containers to either North Complex or south side of the salt shed. Public and businesses do not want this in the downtown area. Assistant City Administrator Dan Ehrke shared that the Glencoe Tourism Committee is working on a beautification plan for the downtown area to enhance the area so the containers need to be moved. This is not the look the community is after to bring about beautification for the walking tour.

Councilor Schrupp could not get backing of the council members to take the request to move the dumpsters before the County Board.

B. CONFIRM ELECTION OF FIRE CHIEF AND CAPTAIN

Councilor Neid motioned to confirm the appointments recently made by special elections held by Fire Department, Fire Chief Corey Scheidt, Captain Thomas Brinkmann. Councilor Robeck seconded. All members voted in favor.

C. SUNDAY LIQUOR HOURS

Jon VanDamme, Liquor Store Manager, presented the request to extend the current Sunday store hours 2 hours from 11:00 a.m. to 6:00 p.m. as allowed by State Statute. The general goal is to increase sales and sales per hour on Sundays are significantly higher than weekdays and to give customers more reasons to shop locally.

Councilor Alexander motion to approve the extended hours for Sunday. Councilor Neid seconded. All members voted in favor.

ITEMS FOR DISCUSSION: None

ROUTINE BUSINESS:

PROJECT UPDATES

ECONOMIC DEVELOPMENT: Assistant City Administrator Ehrke update council on Panther Heights annexation status –waiver from the Township has been received. The developer has applied for the permit to Buffalo Creek Watershed District for ponding. Hotel Study will be completed this week and information will be brought before the City Council in the near future.

PUBLIC INPUT: Schreifels stated Revier quote Jetter tank repair will take 8 days.

REPORTS; Mayor Wilson read letter received, thanking police department for help and cooperation with a case.

CITY BILLS: Motion to approve payment of the city bills by member Neid, second by member Alexander. All members voted in favor.

CLOSE MEETING FOR LAND ACQUISITION:

Motion to close the regular meeting by Councilor Ziemer, second by Councilor Neid. All members voted in favor.

Councilor Robeck made the Motion to re-open the closed meeting. Councilor Neid seconded the motion with all members voting in favor, the motion carried.

Councilor Alexander made the motion to accept the License agreement with St. Pius Catholic Church to provide temporary easements for the Central Storm Sewer Project. Final Easements would be dependent upon an appraisal. Councilor Neid seconded the motion with the following voting in favor, Neid, Alexander, and Ziemer. The following voted No, Schrupp and Robeck.

Councilor Neid made the motion to pay 1/2 cost of the appraisal on the value of the easements with St. Pius paying the other 1/2 up to \$5,000. Councilor Ziemer seconded the motion, with the following voting in favor, Neid, Ziemer, and Alexander. The following voted no, Schrupp and Robeck.

Councilor Robeck made a motion to offer \$78,000 for the Arandia House for the Central Storm Sewer Project, based upon the value of the Ruble house that was previously purchased by the City for this project. Councilor Neid seconded the motion with the following voting in favor, Robeck, Neid, and Ziemer. The following voted no, Schrupp and Alexander.

ADJOURN: Councilor Robeck made a motion to adjourn the regular meeting of the City of Glencoe. Councilor Neid seconded the motion. The following voted in favor, Neid, Ziemer, Schrupp, and Alexander. The following voted no, Robeck.