

OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
JANUARY 4, 2016

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, January 4th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Schaub, Joe Fagnano and Scott Peterson. Council Member absent: Steve Nordaune. Staff present: Finance Director Michael Betker and City Clerk Joan Taylor. Also in attendance were Head Librarian Lorissa Christensen, Ted Thull and Advocate New Reporter Scott Tedrick.

MINUTES: M/S SCHAUB/GALOW TO APPROVE THE MINUTES OF THE DECEMBER 21st REGULAR MEETING. Motion carried unanimously by those present.

BILLS: M/S GALOW/SCHAUB TO APPROVE BILLS PRESENTED FOR PAYMENT. Motion carried unanimously by those present.

LIBRARY: Newly hired Head Librarian Lorissa Christensen was in attendance to introduce herself to the City Council.

BUILDING INSPECTOR: The Building Inspector's report and the year-end report were acknowledged at this time. Ted Thull asked to speak to council regarding an engineer's letter which had been delivered regarding his property located at 124 Fromm Circle. This matter will be on the next council agenda for further discussion.

REPORTS: The following reports were acknowledged at this time: Fire Department, Hospital Board, Kilowatt Community Center Board and Public Works.

UTILITIES COMMISSION: The Utilities Commission report was acknowledged at this time. Discussion took place relative to Central Municipal Power Agency's Community Solar Project. Following discussion Otaibi introduced a resolution and moved its adoption authorizing execution of the Non-Binding Subscription Agreement for Participation in Agency Sponsored Community Solar Project for a 40Kw solar system.

RESOLUTION NO. 16-1

RESOLUTION AUTHORIZING EXECUTION OF NON-BINDING SUBSCRIPTION
AGREEMENT FOR PARTICIPATION IN AGENCY SPONSORED COMMUNITY SOLAR
PROJECT

WHEREAS, Central Municipal Power has submitted a Non-Binding Subscription Agreement to participate in an agency sponsored community solar project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing execution of the Non-Binding Subscription Agreement for Participation in Agency Sponsored Community Solar Project for a 40Kw solar system.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

CITY ENGINEER: M/S GALOW/SCHAUB TO RE-APPOINT RODEBERG & BERRYMAN AS THE CITY'S ENGINEERS FOR CALENDAR YEAR 2016. Motion carried unanimously by those present.

AIRPORT ENGINEER: M/S SCHAUB/PETERSON TO RE-APPOINT BOLTON & MENK AS THE CITY'S AIRPORT ENGINEERS FOR CALENDAR YEAR 2016. Motion carried unanimously by those present.

ELECTRICAL ENGINEER: M/S GALOW/SCHAUB TO RE-APPOINT HDR ENGINEERING, INC. AS THE CITY'S ELECTRICAL ENGINEERS FOR CALENDAR YEAR 2016. Motion carried unanimously by those present.

CITY CEMETERY: As all requirements to reacquire unused burial lots at the city cemetery have been accomplished, Schaub introduced the following resolution and moved its adoption to reacquire the burial lots as listed on Exhibit A.

RESOLUTION NO. 16-2

RESOLUTION REACQUIRING BURIAL PLOTS
IN GRANITE FALLS CITY CEMETERY

BE IT RESOLVED by the City Council of the City of Granite Falls, Minnesota, as follows:

1. That this Council finds as facts:
 - A. That the City of Granite Falls sold the designated burial plots to the people named opposite thereof in Exhibit A which is attached hereto and incorporated herein by reference. Said burial plots are located in the Granite Falls City Cemetery.
 - B. That no burial has been made in any of the designated burial plots for more than 60 years.
 - C. That it has been determined that none of the designated owners are either residents of the County of Chippewa or Yellow

Medicine or can be found therein.

D. That notice to the record owners as described in Exhibit A attached hereto in the form required by Minnesota Statutes 306.242 has been duly served according to law; including publication in the Granite Falls-Clarkfield Advocate Tribune for three consecutive weeks on November 5, November 12, and November 19, 2015, and a copy of said notice was mailed to the last known addresses of the record owners indicated in Exhibit A attached hereto.

E. That no statement has been filed by any of the designated record owners or anyone on their behalf with the City of Granite Falls stating that it is the intention of the owner to retain title to such burial plots, nor has there been any submission of satisfactory evidence of an intention by any of such owners to use the plots for future burials.

2. That pursuant to the terms of Minnesota Statutes 306.242, it is hereby declared that the City of Granite Falls, Minnesota, has reacquired title to those certain burial plots indicated in the hereto attached Exhibit A and that title thereto is hereby vested in the City of Granite Falls, Minnesota.

3. That the City Clerk of the City of Granite Falls is hereby directed and authorized to certify a copy of this Resolution to be filed and retained by the City Clerk as evidence of the City's title to said burial plots.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan Taylor
City Clerk

EXHIBIT A

<u>Owner</u>	<u>Date Last Used</u>	<u>Block</u>	<u>Lot</u>	<u>Gravesites Open</u>
Carl Moore, Virgil Moore or Jon E. Moore (son)	1932	30A	14	1,2,3,4,6,7,8

With second by Fagnano, the resolution was adopted unanimously by those present.

SOUTHWEST INITIATIVE FOUNDATION: Following discussion Otaibi introduced a resolution and moved its adoption authorizing the city's contribution to Southwest Initiative Foundation for 2016 in the amount of \$1,250.

RESOLUTION NO. 16-3

RESOLUTION APPROVING DONATION
TO SOUTHWEST INITIATIVE FOUNDATION

WHEREAS, the Southwest Initiative Foundation has requests a donation from the city for calendar year 2016.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a matching donation of \$1,250 for calendar year 2016 to the Southwest Initiative Foundation.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously by those present.

WESTERN MINNESOTA PRAIRIE WATERS: Following discussion Peterson introduced a resolution and moved its adoption authorizing the city's contribution to Western Minnesota Prairie Waters Convention and Visitors Bureau for 2016 in the amount of \$1,250.

RESOLUTION NO. 16-4

RESOLUTION AUTHORIZING CONTRIBUTION TO
WESTERN MINNESOTA PRAIRIE WATERS
REGIONAL TOURISM PROGRAM

WHEREAS, Western Minnesota Prairie Waters Regional Tourism Program has requested a commitment from the city for its cooperative advertising and promotion of the five county region; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing a donation of \$1,250 for 2016 to Western Minnesota Prairie Waters Regional Tourism Program.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously by those present.

CITY ATTORNEY: Schaub introduced the following resolution and moved its adoption to enter into an agreement with Holmstrom & Kvam as the city attorneys for calendar year 2016.

RESOLUTION NO. 16-5

RESOLUTION ENTERING INTO EMPLOYMENT AGREEMENT
WITH CITY ATTORNEY FOR CALENDAR YEAR 2016

WHEREAS, an Employment Agreement has been reached that is acceptable with the City Attorney and the City Council,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving an employment Agreement with Gregory L. Holmstrom, Spencer H. Kvam and Jeremy Blackwelder as City Attorney and Assistant City Attorneys, effective January 1, 2016.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Peterson, the resolution was adopted unanimously by those present.

WATER DEPARTMENT: Upon the recommendation of Water Plant Superintendent Enstad, Galow introduced the following resolution and moved its adoption accepting the state bid for the purchase of a 2016 Ford F150 4x4 pickup for the Water Department in the amount of \$24,995.24. Payment for the pickup will come from the 2016 Capital Improvements Budget.

RESOLUTION NO. 16-6

RESOLUTION ACCEPTING STATE BID FOR PURCHASE OF TRUCK
WATER TREATMENT PLANT

WHEREAS, the Water Plant Superintendent is recommending that a 2016 Ford F 150 4x4 be purchased to replace the 2000 Ford F150; and

WHEREAS, it has also been recommended to accept the state bid for the purchase of this vehicle in the amount of \$24,995.24; and

WHEREAS, there is \$31,000 in the 2016 Capital Improvement Budget for replacement of this vehicle.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the state bid for the purchase of a 2016 Ford F150 4x4 pickup truck in the amount of \$24,995.24 for the Water Treatment Plant.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously by those present.

GRANITE FALLS AREA ARTS COUNCIL: Council reviewed a request received from the Granite Falls Area Arts Council for a donation from the city for calendar year 2016. Following discussion Peterson introduced a resolution and moved its adoption authorizing a donation of \$1,500 to the Granite Falls Area Arts Council.

RESOLUTION NO. 16-7

RESOLUTION APPROVING DONATION
TO GRANITE FALLS AREA ARTS COUNCIL

WHEREAS, the Granite Falls Area Arts Council has requested financial assistance for the 2016 budget year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a donation of \$1,500 for calendar year 2016 to the Granite Falls Area Arts Council.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously by those present.

MINNESOTA RIVER VALLEY SCENIC BYWAY: Following discussion Schaub introduced a resolution and moved its adoption to join the Scenic Byway Alliance at the \$100 level.

RESOLUTION NO. 16-8

RESOLUTION APPROVING DONATION
TO MINNESOTA RIVER VALLEY SCENIC BYWAY

WHEREAS, the Minnesota River Valley Scenic Byway has requested the city to become a member of its alliance for the 2016 budget year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a membership in the amount of \$100 for calendar year 2016 to the Minnesota River Valley Scenic Byway.

Adopted by the City Council this 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Peterson, the resolution was adopted unanimously by those present.

BONDS: Todd Hagen from Ehlers & Associates the city's bond consultants recommended council adopt a resolution that would allow for the city to get reimbursed for costs related to projects that council has authorized where outside funding sources will be used. Following discussion Schaub introduced a resolution and moved its adoption establishing procedures relating to compliance with reimbursement bond regulations under the IRS code.

RESOLUTION NO. 16-9

RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE

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

Recitals.

The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

The Regulations generally require that the City (as the issuer of or the primary obligor under the bonds) make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the Finance Director to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City doesn't reasonably expect that reimbursement bonds will be issued to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

Reimbursement Allocations. If the City is acting as the issuer of the reimbursement bonds, the designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted by the City Council of the City of Granite Falls, Minnesota on the 4th day of January, 2016.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

CERTIFICATION

The undersigned, being the duly qualified and acting Finance Director of the City of Granite Falls, Minnesota, hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular meeting of the Council held on _____. The Council meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Councilmember _____ moved the adoption of the Resolution, which motion was seconded by Councilmember _____. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution: _____

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Council which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the Finance Director of the City of Granite Falls, Minnesota, on _____.

Finance Director
City of Granite Falls, Minnesota

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting Finance Director of the City of Granite Falls, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the City as follows:

1. The undersigned has been and is on the date hereof duly authorized by the City Council of the City to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$_____ is the maximum principal amount of the Bonds which will be issued to finance the Project.

Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: _____, 20____.

Finance Director
City of Granite Falls, Minnesota

With second by Galow, the resolution was adopted unanimously by those present.

MINNESOTA HISTORICAL SOCIETY PARTNERSHIP PROGRAM: Upon the request of the RDC, M/S SCHAUB/PETERSON SUPPORTING THE GRANT TO THE MINNESOTA HISTORICAL SOCIETY PARTNERSHIP PROGRAM TO DEVELOP CONTENT AND IMPROVE THE MESSAGING OF MINNESOTA HISTORY ALONG THE MINNESOTA RIVER FOR BYWAY MATERIALS. Motion carried unanimously by those present.

DISEASED ELM TREE REMOVAL PROGRAM: Council reviewed the year-end forestry report. As noted in the report 17 trees and 20 stumps were removed during the 2015 season.

BOARDS & COMMISSIONS: M/S GALOW/SCHAUB TO APPOINT MARY KIETZMANN TO THE LIBRARY BOARD. Motion carried unanimously by those present. Also staff will review the City Code to see if an appointed member of the Hospital Board can live outside the city limits.

ADJOURN: M/S/P SCHAUB/ PETERSON TO ADJOURN at 8:35 p.m.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

BILLS PAID:

Total 2XL CORPORATION:	120.81
Total ADVOCATE-TRIBUNE:	919.65
Total ALPHA WIRELESS:	76.50
Total AMARIL UNIFORMCO:	2,201.40
Total AMERICAN SAFETY UTILITYCORP.:	85.97
Total ARNESON, ANDY:	331.00
Total ARTIC GLACIER INC:	53.29
Total BARN RESTORATION SPECIALIST CORP:	7,500.00
Total BEVERAGE WHOLESALERS INC:	60.20
Total BORDER STATES ELECTRIC SUPPLY:	410.56
Total CARLSON, MIKE & MELISSA:	30.00
Total CENTURYLINK:	150.46
Total CHAMBER OF COMMERCE:	3,625.00
Total CHAPPELL CENTRAL:	2,310.00
Total CHIPPEWA COUNTY:	123.29
Total CITIZENS ALLIANCE BANK:	30.00
Total CNH CAPITAL:	135.45
Total COALITION OF GREATER MN CITIES:	1,200.00
Total COCARD:	45.39
Total COLLECTION BUREAU:	50.00
Total D & L PROPERTIES:	400.00
Total DAN'S SHOP INC:	3.22
Total DICKINSON, AARON:	17.30

Total ECR SOFTWARE CORPORATION:	798.33
Total ETTERMAN ENTERPRISES:	404.10
Total FEDEX FREIGHT:	201.10
Total FERGUSON WATERWORKS SUPPLY:	385.29
Total FLEXIBLE INFORMATION SYSTEMS:	250.00
Total G & K SERVICES:	106.30
Total GF LIVING @ HOMEBLOCK NURSE:	1,000.00
Total GOPHER STATE ONE-CALL:	40.60
Total GRANITE AREA ARTS COUNCIL:	1,500.00
Total GRANITE FALLS AUTO PARTS:	429.82
Total GRANITE FALLS FIRE RELIEF ASSN:	450.00
Total GRANITE FALLS MUN. HOSPITAL:	12,347.00
Total GRANITE TRUE VALUE:	1,514.36
Total GREATER MN PARKS & TRAILS:	150.00
Total HAUGER, DAN:	15.57
Total HAWKINS INC:	2,357.49
Total HEARTLAND PAYMENT SYSTEMS:	70.58
Total HEIG, JESSICA MARIE:	20.00
Total HENLE PRINTING COMPANY:	913.98
Total HOERNEMANN, PAUL:	255.00
Total HOLMSTROM & KVAM:	437.50
Total IRBY:	1,025.26
Total KEEPRS:	112.63
Total KOTEK, NICOLLE:	80.00
Total KRANITZ, FRANK:	325.00
Total LEE'S AUTO & DIESEL:	1,405.00
Total LIFE FITNESS:	97.22
Total LIGHT FUND:	32,237.90
Total LOCHER BROTHERS:	13,506.90
Total MADISON BOTTLING CO.:	16,319.80
Total MARCO TECHNOLOGIES LLC:	79.79

Total MINNESOTA VALLEY TECH. INC:	35.00
Total MN DEPT OF REVENUE:	23,842.00
Total MN DPT OF LABOR & INDUSTRY:	20.00
Total MN NCPERS-496000:	64.00
Total MN RIVER VALLEY SCENIC BYWAY ALLIANCE:	100.00
Total MN TRANSPORTATION ALLIANCE:	209.00
Total MN VALLEY TESTING LAB INC.:	257.00
Total MUNICIPAL EMERGENCY SERVICES:	978.00
Total MVTV:	392.70
Total NIELSEN, BETSY:	20.00
Total NIELSEN, ROGER:	50.00
Total NIHCA:	393.05
Total OFFICE DEPOT:	11.78
Total OFFICE PEEPS:	36.07
Total O'REILLY AUTO PARTS:	28.54
Total PETERSEN, JODI:	362.50
Total PETERSON, LINDSEY:	31.29
Total PETERSON, PERRY:	75.00
Total PHILLIPS WINE & SPIRITS CO.:	44.00
Total POSTMASTER:	800.00
Total REGIONAL DEVELOP. COMMISSION:	1,106.92
Total RODEBERG & BERRYMAN INC.:	22,544.05
Total SEACHANGE PRINTING & MARKETING:	217.78
Total SELZER, ROD:	50.00
Total SENTRY SYSTEMS INC:	100.36
Total SHRED-IT USA:	37.09
Total SIOUX VALLEY WIRELESS:	19.95
Total SW-WC SERVICE COOPERATIVES:	36,359.50
Total T.A. LAURITSEN SEPTIC & DRAIN:	175.00
Total THULL, RON:	250.00
Total UPS:	20.76
Total US BANK:	1,122.98

Official City Council Proceedings, Regular Meeting January 4, 2016

Total USA BLUEBOOK:	97.60
Total VANCO SERVICES:	37.75
Total VERIZON WIRELESS:	5,305.56
Total WEST CENTRAL UTILITY COORDINATING COMMIT:	100.00
Total WIDSETH SMITH NOLTING & ASSC.:	745.00
Total YME JAZZY HI-KICK BOOSTER CLUB:	35.00
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Grand Totals:	204,791.24
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