

**December 9, 2019
Hearing and Regular Meeting**

Pursuant to due call and notice thereof, a hearing and regular meeting of the City Council of the City of Halstad was duly called and held at the Halstad Telephone Company Meeting Room in said City on December 9, 2019 at 5:15 pm.

Mayor Lori DeLong called the hearing on the issuance of congregate housing revenue refunding bonds to order at 5:15 p.m..

The following council members were present: Brandon Mickelson, Darin Johnson, Jeremy Melting, and Veronica Dye

The following council members were absent: None

Brian Osowski from AMKO Advisors presented information regarding the Living Options, Inc. housing revenue refunding bonds. The project consists of refunding bonds for the Halstad and Twin Valley assisted living centers. The City of Twin Valley had issued bonds for the project several years ago and Living Options, Inc. is now refinancing. Due to the public nature of the refunding, a hearing must be held in each city, even though the City of Twin Valley is issuing the bond; no financial obligation by the City of Halstad.

Mayor DeLong opened the floor to public comment. No comments.

Mayor Lori DeLong closed the hearing at 5:20 p.m.

Mayor Lori DeLong called the regular meeting to order at 5:20 p.m.

The following council members were present: Brandon Mickelson, Darin Johnson, Jeremy Melting, and Veronica Dye

The following council members were absent: None

Others in attendance: Lucas Spaeth, Brian Osowski (AMKO Advisors), Angie Nelson (Halstad Living Center), Kent Fuchs and Dave Olek (Fuchs Sanitation), Michael Trygg (Planning Commission Chair), and Bruce Purrington, Duane Trandem, Emily Finney (Halstad Business League).

Motion by Jeremy Melting and second by Brandon Mickelson to approve the agenda with the addition of item 8C Resolution declaring vacancy for Jeremy Melting. Motion carried.

Motion by Darin Johnson and second by Jeremy Melting to approve the minutes from the regular meeting held on November 18, 2019. Motion carried.

Individuals present for the public forum:

- 1) Bruce Purrington voiced his concern regarding the City of Halstad plowing snow for the City of Hendrum.
- 2) Duane Trandem voiced his concern regarding the City of Halstad plowing snow for the City of Hendrum.
- 3) Emily Finney presented information and asked the Council for a consideration of re-zoning the old high school parcel for multi-purpose use. Council will review the request when a formal re-zoning request is received.

Motion by Brandon Mickelson and second by Darin Johnson to approve the consent agenda as presented. Motion carried. The following items were on the consent agenda:

- a. Monthly claims for November 2019
- b. General checking bank reconciliation for November 2019

Veronica Dye made a motion to approve the following resolution:

**RESOLUTION NO. 2019-12-09A
RESOLUTION APPROVING THE ISSUANCE OF CONGREGATE
HOUSING REVENUE REFUNDING BONDS AND APPROVING
A JOINT POWERS AGREEMENT**

WHEREAS, Minnesota Statutes, Chapter 462C (the "Act") confers upon cities the power to issue revenue bonds to finance a program for the purposes of planning, administering, making or purchasing loans with respect to one or more multifamily housing developments; and

WHEREAS, Living Options, Inc., a Minnesota nonprofit corporation (the "Corporation"), owns and operates a 16-unit congregate housing facility (the "Project") located at 201 Fourth Street in the City of Halstad, Minnesota (the "City") which was originally financed by the City of Twin Valley, Minnesota through the issuance of its Congregate Housing Revenue Bonds (Living Options, Inc. Project), Series 1998 (the "Prior Bonds") pursuant to the Act; and

WHEREAS, the Corporation has requested that the Cities of Halstad and Twin Valley enter into a joint powers agreement in substantially the form attached hereto as Exhibit A (the "Joint Powers Agreement"), whereby the City of Twin Valley will issue Refunding Bonds on behalf of itself and the City of Halstad to refund the Prior Bonds; and

WHEREAS, a public hearing on the Project and the refunding of the Prior Bonds was held on the date hereof, after notice was published, at which public hearing all those appearing at the hearing who desire to speak were heard and written comments, if any, were considered; and

WHEREAS, no elected public official of the City has either a direct or indirect financial interest in the Project nor will any elected public official either directly or indirectly benefit financially from the Project;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Halstad, Minnesota, as follows:

1. The City hereby approves the proposal of the Corporation that the City enter into the Joint Powers Agreement with the City of Twin Valley to refinance the Project described above and the refunding of the Prior Bonds.

2. The Mayor and City Clerk/Treasurer are hereby authorized to execute and deliver the Joint Powers Agreement in substantially the form submitted to this meeting. Pursuant to the Joint Powers Agreement, the City of Twin Valley may structure the financing so as to take advantage of whatever means are available and are permitted by law to enhance the security for, or marketability of, the Refunding Bonds; provided that any such financing structure must be consented to by the Corporation.

3. The refinancing of the Project by the issuance of the Refunding Bonds is hereby approved by the City, subject to (a) the execution by the Cities of Halstad and Twin Valley of the Joint Powers Agreement, and (b) final approval by the City of Twin Valley, the Corporation and the purchasers of the Refunding Bonds as to ultimate details of Refunding Bonds.

4. The Corporation has agreed and it is hereby determined that any and all costs incurred by the City in connection with the refinancing of the Project will be paid by the Corporation.

5. Nothing in this Resolution or the documents prepared pursuant hereto shall authorize the expenditure of any municipal funds for the payment of the Refunding Bonds. The Refunding Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City, nor shall the City be subject to any liability thereon. The holder of the Refunding Bonds shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal of the Refunding Bonds or the interest thereon, or to enforce payment thereof against any property of the City. The Refunding Bonds shall recite in substance that Refunding Bond, including the interest thereon, are payable solely from the revenue and proceeds pledged by the Corporation to the payment thereof. The Refunding Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

Jeremy Melting seconded the motion. After roll call vote those voting aye: Darin Johnson, Veronica Dye, Lori DeLong, Jeremy Melting and Brandon Mickelson. Those voting against: none. Motion carried.

City road resurface project update was provided by Lucas Spaeth.

Motion by Darin Johnson to approve R.J. Zavoral & Sons, Inc. change order #2 in the amount of \$9,159.15. Second by Veronica Dye. Motion carried.

Motion by Brandon Mickelson to approve the R.J. Zavoral & Sons, Inc. payment request #3 in the amount of \$8,701.19. Second by Darin Johnson, Motion carried.

Highway 75 road reconstruction project update was provided. Street lights are going up this week.

Lucas is continuing to work with Houston Engineering on the evacuation plan and other documentation for levee recertification. Per Veronica, the FEMA floodplain ordinance changes which reflect the new maps are now complete and formal approval letter is expected from FEMA soon.

Kent Fuchs and Dave Olek from Fuchs Sanitation were present with an updated contract (approved in November) to obtain Council signatures.

Michael Trygg, Planning Commission Chair, presented updated information on the Northwest Regional Development Commission (NRDC) proposal for the creation of the City's comprehensive plan. Conference call with Cam Fanfulik from the NRDC took place and he presented information on the proposal as well. It will take approximately 3 months to develop the plan with help from the Planning Commission, City Council and community as needed. The fee is \$15,000, with \$7,500 (50%) already secured by funding through the Community Thrive Grant. Jeremy Melting moved to approve the contract. Second by Brandon Mickelson. Motion carried.

Motion by Veronica Dye to issue a cigarette license to the Valley United Coop (Cenex) convenience store. Second by Darin Johnson. Motion carried.

Motion was made by Darin Johnson to approve the application by the Halstad Business League to apply for a grant from the Halstad Telephone Community Cooperation Fund grant for the Sugar Beet Sculpture/Central Park costs. The application requires local government approval prior to submission. Veronica Dye seconded the motion. Motion carried.

Written resignation letter was received from Jeremy Melting. Brandon Mickelson moved to approve the following resolution:

RESOLUTION NO. 2019-12-09B

A RESOLUTION ACCEPTING RESIGNATION AND DECLARING A VACANCY.

WHEREAS, the Halstad City Council has received the written resignation of Councilmember Jeremy Melting, effective on January 1, 2020.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HALSTAD, MINNESOTA AS FOLLOWS:

1. The council accepts Jeremy Melting's resignation as described above.

The council declares that a vacancy exists on council effective on January 1, 2020.

Veronica Dye seconded the motion. Motion carried.

Motion by Darin Johnson to adjourn from the regular meeting for the Truth-In-Taxation meeting at 6:00pm. Second by Veronica Dye. Motion carried.

Darin Johnson moved to approve the 2020 budget as presented and set the final 2020 tax levy at \$208,579. Second by Veronica Dye. Motion carried.

Motion by Lori DeLong to adjourn the Truth-In-Taxation meeting and resume the regular meeting at 6:09pm. Second by Veronica Dye. Motion carried.

Regular meeting resumed at 6:09pm.

Further discussion regarding the sale of the 1973 pumper truck from the Fire Department to Wade Hauge for \$300, per his offer at the November 2019 meeting. Clerk Dye did additional research and the sale must be done in the open market; item must be put up for sale (ad placed in the paper). Motion by Darin Johnson to sell the truck to Wade Hauge. No second. Motion failed. An add will be placed in the paper to see if there is further interest in this item.

Department reports were provided for the Sunrise Apartments, Wimmer Homes, and Utilities. Need quotes for the Sunrise Boilers to fix them. LRC roof water damage is being investigated; possible vents needed. Still working out a contract with Hendrum for snow removal. No action.

Have received complaints about the long-term vehicle parking by Valley Hardware and the Post Office. This makes snow removal difficult and hard for residents to park by the Hardware store and the Post Office to do business. Cars shouldn't be parked longer than 72 hours per City Ordinance. Need to get Sheriff working on this, since the parking ordinances are now in the State System.

Motion by Veronica Dye to adjourn at 8:13 p.m. with second by Darin Johnson. Motion carried. The next regular meeting of the City Council will be Monday, January 13, 2020 at 5:15 p.m.

Veronica L. Dye, Clerk/Treasurer