

OFFICIAL CITY COUNCIL PROCEEDINGS  
REGULAR SESSION  
SEPTEMBER 19, 2016

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, September 19<sup>th</sup>, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Nordaune, Steve Schaub, Joe Fagnano and Scott Peterson. Staff present: City Manager Crystal Johnson, Finance Director Mike Betker and City Clerk Joan Taylor. Also in attendance were EDA Director Justin Bentaas, Members of the Utilities Commission, Hospital Administrator Thomas Kooiman and members of the Hospital Board, Kurt Sobczynski from Barr Engineering and Anders Dynge from The James Leffel Co. and Advocate Tribune News Editor Caitlyn Mahium.

MINUTES: M/S NORDAUNE/GALOW TO APPROVE THE MINUTES OF THE SEPTEMBER 6<sup>TH</sup> REGULAR MEETING. Motion carried unanimously.

BILLS: M/S NORDAUNE/SCHAUB TO APPROVE BILLS PRESENTED FOR PAYMENT. Motion carried unanimously.

AUDIT: Justin Nilson from Abdo, Eick & Meyers was in attendance to present the 2015 audit report.

TURBINE REPLACEMENT PROJECT: Kurt Sobczynski from Barr Engineering and Anders Dynge from The James Leffel Company were in attendance to discuss with council the options for the repair or replacement of generator #3.

HOSPITAL: Hospital Administrator Thomas Kooiman was in attendance to provide council with an overview of the long-range strategic goals for the hospital.

REPORT: The EDA Board report was acknowledged at this time.

811 RLF: Upon the recommendation of the EDA Board, Nordaune introduced the following resolution and moved its adoption extending the loan deferral with Cutting Edge Industrial Technology with interest only payments of \$402.19 from October, 2016 through April, 2017.

RESOLUTION NO. 16-143

RESOLUTION EXTENDING LOAN MODIFICATION WITH  
CUTTING EDGE INDUSTRIAL TECHNOLOGY

WHEREAS, pursuant to Resolution No. 16-42, council approved deferment of the loan payment with Cutting Edge Industrial Technology with interest only payments of \$402.19 from April through September, 2016; and

WHEREAS, the EDA Board is now recommending extending the deferment of the interest only loan payments from Cutting Edge Industrial Technology in the amount of \$402.19 from October 2016 through April 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, extending the loan modification with Cutting Edge Industrial Technology with interest only payments of \$402.19 from October 2016 through April 2017.

Adopted by the City Council this 19<sup>th</sup> day of September, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted unanimously.

WEB SITE: EDA Director Justin Bentaas was in attendance to give council an update regarding the city's new website.

HOUSING SURVEY: EDA Director Bentaas also reviewed with council the results of the Housing Study recently completed in conjunction with the Upper Minnesota Valley Regional Development Commission.

REPORTS: The Hospital Board report and Police Chief's report were acknowledged at this time.

FIRE DEPARTMENT: Upon the recommendation of the Fire Department, Galow introduced a resolution and moved its adoption declaring the following unusable and outdated fire equipment as surplus and authorizing the Fire Department to dispose of same.

- |                   |                                      |
|-------------------|--------------------------------------|
| 15 Pairs of boots | 9-SCBA Bottles 2216PSI               |
| 8-turnout pants   | 9-turnout jackets                    |
| 13-helmets        | 2-Cascade Tanks                      |
| 29-SCBA masks     | 9-SCBA Pack 2216PSI                  |
| 300 FT-4" Hose    | 400 FT- 2.5" Hose                    |
| 1-Gas Saw         | Miscellaneous Radios, wiring, Lights |

RESOLUTION NO. 16-144

RESOLUTION DECLARING CITY OWNED PROPERTY AS SURPLUS  
AND AUTHORIZING THE DISPOSAL OF SAME

WHEREAS, Chapter 3, Section 2.70, Subd. 3 of the City Code authorizes that excess personal property, when no longer needed for a municipal purpose, shall be declared surplus and disposed of in the manner stated therein; and

WHEREAS, the Fire Safety Equipment Committee has determined that the following equipment has no value and do not meet code and should be disposed of

- 15 Pairs of boots
- 8-turnout pants
- 9-turnout jackets
- 13-helmets
- 9-SCBA Bottles 2216PSI
- 2-Cascade Tanks
- 29-SCBA masks
- 9-SCBA Pack 2216PSI
- 300 FT-4" Hose
- 400 FT- 2.5" Hose
- 1-Gas Saw
- Miscellaneous Radios, wiring, Lights

WHEREAS, the city manager has recommended that the old fire safety equipment should be declared excess property and the Fire Department may dispose of same.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, declaring the Granite Falls Fire Department's miscellaneous fire safety equipment as surplus property and authorizing the fire chief to dispose of same.

Adopted by the City Council this 19<sup>th</sup> day of September, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Fagnano, the resolution was adopted unanimously.

AIRPORT: Nordaune introduced the following resolution and moved its adoption authorizing execution of the Grant Agreement for Airport Improvements between the city and state which will cover 90% of all three schedules of the 2017 Airport Runway Reclamation Project.

RESOLUTION NO. 16-145  
AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION  
GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

EXCLUDING LAND ACQUISITION

It is resolved by the City of Granite Falls as follows:

1. That the state of Minnesota Agreement No. 1026586,

"Grant Agreement for Airport Improvement Excluding Land Acquisition," for State

Project No. A1202-26 at the Granite Falls Municipal Airport is accepted.

2. That the Mayor and City Manager are authorized to execute this Agreement and any amendments on behalf of the City of Granite Falls..

CERTIFICATION

STATE OF MINNESOTA  
COUNTY OF YELLOW MEDICINE

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the City Council of Granite Falls, Minnesota at an authorized meeting held on the 19<sup>th</sup> day of September 2016 as shown by the minutes of the meeting in my possession.

Signature:  
(Clerk or Equivalent)

With second by Schaub, the resolution was adopted unanimously.

AIRPORT: Council discussed the needed repairs to the Arrival/Departure Building roof which was damaged following the wind event on July 16, 2016. Following discussion it was suggested that further information be obtained from the city's insurance carrier prior to beginning these repairs.

TEMPORARY NURSING HOME BONDS: Upon the advice of the city's bond consultants in order to save the city interest costs, Schaub introduced the following resolution and moved its adoption rescinding Resolutions 16-116, 16-117 & 16-118 temporary nursing home bonds.

RESOLUTION NO. 16-146

RESOLUTION RESCINDING RESOLUTION RELATING TO THE ISSUANCE AND SALE OF GENERAL OBLIGATION TAXABLE NURSING HOME

REVENUE BONDS OF 2016C, 2016D AND 2016E AND TO  
PROVIDE FOR REDEMPTION NOTICE

WHEREAS, at the regular meeting of the City Council (the "City Council"), held on August 15, 2016, the Council adopted the following: (i) Resolution No. 16-116 entitled "Resolution Accepting the Offer of the United States of America to Purchase a \$7,500,000 General Obligation Taxable Nursing Home Revenue Bond of 2016C and Providing for Its Issuance" (the "2016C Resolution"); (ii) Resolution No. 16-117 entitled "Resolution Accepting the Offer of the United States of America to Purchase a \$3,233,000 General Obligation Taxable Nursing Home Revenue Bond of 2016D and Providing for Its Issuance" (the "2016D Resolution"); and (iii) Resolution No. 16-117 entitled "Resolution Accepting the Offer of the United States of America to Purchase a \$600,000 General Obligation Taxable Nursing Home Revenue Bond of 2016E and Providing for Its Issuance" (the "2016E Resolution", and together with the 2016C Resolution and the 2016D Resolution, the "Resolutions"); and

WHEREAS, the United States of America, the United States Department of Agriculture, administered by Rural Development has informed the City that the interest rates set forth in the Resolutions will be lowered thereby decreasing the amount of debt to be incurred by the issuance of the obligations under the Resolutions; and

WHEREAS, certain provisions of the Resolutions need to be revised and therefore it is recommended that the Resolutions be rescinded; and

WHEREAS, the City Council authorized the issuance and sale of \$5,000,000 General Obligation Temporary Nursing Home Revenue Bonds, Series 2014B (the "Temporary 2014B Bond") bearing a date of original issue of September 25, 2014 and \$5,730,000 General Obligation Taxable Nursing Home Revenue Bonds, Series 2015A bearing a date of original issue of January 7, 2015 (the "Temporary 2015A Bond and together with the Temporary 2014B Bonds, the "Temporary Bonds") and such Temporary Bonds are being called for the redemption pursuant to certain Notices of Call for Redemption attached hereto as Exhibit A and Exhibit B; and

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Granite Falls, Minnesota that:

The Resolutions are hereby rescinded.

The Temporary Bonds shall be called for redemption as set forth on Exhibit A and Exhibit B as attached hereto.

The motion for the adoption of the foregoing resolution was duly seconded by member Galow and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Galow, Otaibi, Nordaune, Smiglewski, Schaub, Fagnano and Peterson.

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA  
COUNTIES OF CHIPPEWA AND YELLOW MEDICINE  
CITY OF GRANITE FALLS

I, the undersigned, being the duly qualified and acting City Clerk of the City of Granite Falls, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to rescinding Resolution No. 16-116, Resolution No. 16-117 and Resolution No. 16-118 and to provide for redemption of certain outstanding debts of the City.

WITNESS my hand September 19, 2016

\_\_\_\_\_  
City Clerk

EXHIBIT A

NOTICE OF CALL FOR REDEMPTION  
GENERAL OBLIGATION TEMPORARY NURSING HOME REVENUE BOND,  
SERIES 2015A  
CITY OF GRANITE FALLS, MINNESOTA

NOTICE IS HEREBY GIVEN that by order of the City Council of the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, there have been called for redemption and prepayment on

November 1, 2016

those outstanding bonds of the City designated General Obligation Temporary Nursing Home Revenue Bond, Series 2015A, dated January 7, 2015, having a stated maturity date of August 1, 2017 and totaling \$5,730,000 in principal amount and having CUSIP number listed below:

<u>Year</u>	<u>CUSIP Number*</u>
2017	387370 XW4

The bonds are being called at a price of par plus accrued interest to November 1, 2016, on which date all interest on the bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at Bond Trust Services Corporation, 3060 Centre Pointe Drive, Roseville, MN 55113.

BY ORDER OF THE CITY COUNCIL  
CITY OF GRANITE FALLS, MINNESOTA

/s/ Joan Taylor, City Clerk

\* The City shall not be responsible for the selection of or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in the notice. They are included solely for the convenience of the holder.

EXHIBIT B

NOTICE OF CALL FOR REDEMPTION  
GENERAL OBLIGATION TEMPORARY NURSING HOME REVENUE BOND,  
SERIES 2014B  
CITY OF GRANITE FALLS, MINNESOTA

NOTICE IS HEREBY GIVEN that by order of the City Council of the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, there have been called for redemption and prepayment on

November 1, 2016

those outstanding bonds of the City designated General Obligation Temporary Nursing Home Revenue Bond, Series 2014B, dated September 25, 2014, having a stated maturity date of August 1, 2017 and totaling \$5,000,000 in principal amount and having CUSIP number listed below:

<u>Year</u>	<u>CUSIP Number*</u>
2017	387370 XE4

The bonds are being called at a price of par plus accrued interest to November 1, 2016, on which date all interest on the bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at Bond Trust Services Corporation, 3060 Centre Pointe Drive, Roseville, MN 55113.

BY ORDER OF THE CITY COUNCIL  
CITY OF GRANITE FALLS,  
MINNESOTA

/s/ Joan Taylor, City Clerk

Dated: September 19, 2016.

The City shall not be responsible for the selection of or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in the notice. They are included solely for the convenience of the holder.

With second by Galow, the resolution was adopted unanimously.

BRIDGE LIGHTING: Staff advised council that an illustration of the lighting for the Pedestrian Bridge is scheduled for September 29<sup>th</sup> at 8:30 p.m.

2016 STREET/UTILITY IMPROVEMENTS: Council reviewed an update relative to the 2016 Street and Utility Improvements.

VOLSTEAD HOUSE: Council reviewed correspondence received from the Minnesota State Historical Society advising the city they have determined that the majority of the proposed repair work meets the Standards for Rehabilitation.

ADJOURN: M/S/P NORDAUNE/SCHAUB TO ADJOURN AT 9:03 p.m.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

BILLS PAID:

Total ADVOCATE-TRIBUNE:	97.00
Total ALMICH'S MARKET:	42.52
Total ALPHA WIRELESS:	4,950.40
Total AMERICAN WELDING & GAS INC:	70.95
Total ANDERSON LADD:	180.00
Total ARNESON DISTRIBUTING INC.:	383.50
Total ARTIC GLACIER INC:	298.40
Total ARTISAN BEER COMPANY:	32.00
Total BAKER BROS. CONSTRUCTION INC.:	10,790.00
Total BENTAAS, JUSTIN:	40.50
Total BEVERAGE WHOLESALERS:	136.90
Total BLUEGLOBES INC:	3,517.00
Total BOLTON & MENK INC:	16,100.00
Total BRANESS PEST CONTROL SERVICE:	50.00
Total BROVOLD, MITCHELL:	26.65
Total CENTRAL MN MUNICIPAL POWER:	184,634.61
Total CENTURYLINK:	1,941.66
Total CITIZENS ALLIANCE BANK:	201.01
Total CONVENTION & VISITORS BUREAU:	643.71
Total COUNTY LINE DOOR:	75.00
Total DAKOTA MAILING AND SHIPPING EQUIP.:	240.00
Total DAN'S SHOP INC:	765.92
Total DEPARTMENT OF ENERGY:	20,381.06
Total EXCEL OVERHEAD DOOR:	213.00
Total FARMERS UNION OIL CO.:	5,959.55
Total FIRST ADVANTAGE:	59.00
Total G & K SERVICES:	162.45
Total GALLS INC.:	39.96
Total GRAINGER INC, WW:	59.12
Total GRANITE FALLS CONSTRUCTION CO:	206.25
Total GRANITE FALLS, CITY OF:	25.00
Total GRANITE TRUE VALUE:	270.14
Total GREAT PLAINS GAS CO.:	1,757.92
Total HAWKINS INC:	1,839.67
Total HUDELSON, BRENDA:	528.69
Total JOHNSON BROS WHOLESALE LIQUOR:	2,988.35
Total JOHNSON JET-LINE INC:	4,250.00
Total K M FIRE PUMP SPECIALISTS:	700.00
Total KEELER-AUS, RAE ANN:	650.00
Total KEEPRS:	490.74
Total KNUTSON, ERIC:	47.92
Total LA CONSTRUCTION & DESIGN INC:	200.00
Total LEAGUE OF MINNESOTA CITIES:	3,100.00
Total LEE'S AUTO & DIESEL:	100.00
Total LIGHT FUND:	393.37
Total LOCHER BROTHERS:	5,181.04
Total MADDEN GALANTER HANSON LLP:	271.33
Total MADISON BOTTLING CO.:	6,390.40
Total MADISON NATIONAL LIFE:	199.08
Total MAKARRALL, MIKE:	36.34
Total MARCO TECHNOLOGIES LLC:	236.64
Total MARSHALL NORTHWEST PIPE:	868.13
Total MARTIN MARIETTA AGGREGATES:	523.13

Total MARTIN TRUCKING:	599.60
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Total MEDIACOM:	57.97
Total MEYER'S REPAIR & TOWING INC:	713.70
Total MIDWEST OVERHEAD CRANE:	257.77
Total Minnesota Management & Budget:	51.81
Total MINNESOTA VALLEY TECH. INC:	743.87
Total MISSOURI RIVER ENERGY SERVICES:	12,740.51
Total MN DEPT OF HEALTH-WATER:	32.00
Total MN DPT OF LABOR & INDUSTRY:	70.00
Total MN STATE FIRE CHIEFS ASSN:	1,500.00
Total MN TRANSPORTATION ALLIANCE:	110.00
Total MN VALLEY COOPERATIVE:	1,242.76
Total MN VALLEY TESTING LAB INC.:	485.00
Total MUNICIPAL EMERGENCY SERVICES:	28.02
Total NELSON OYEN TORVIK:	50.00
Total OFFICE DEPOT:	140.40
Total OFFICE PEEPS:	87.66
Total PHILLIPS WINE & SPIRITS CO.:	2,049.58
Total PIONEERLAND LIBRARY SYSTEM:	1,815.87
Total PITNEY BOWES INC.:	317.22
Total RECREATION SUPPLY COMPANY:	187.31
Total RETROFIT RECYCLING:	175.42
Total ROBERT L. CARR CO:	152,395.40
Total RYER PLUMBING & HEATING:	386.42
Total SAWMILL, THE:	4.04
Total SMITH, DENNIS:	47.52
Total SOUTHERN WINE & SPIRITS OF MN:	1,304.33
Total STREICH, LISA:	40.00
Total TIMM, DEREK:	765.00
Total TOSTENSON SEPTIC LLC:	525.00
Total TV UNLIMITED:	8.99
Total UNIVAR USA INC:	2,372.50
Total UTILITIES PLUS ENERGY SERVICES:	4,760.00
Total VERIZON WIRELESS:	4,558.25
Total VIKING COCA-COLA BOTTLING CO.:	180.80
Total WAGNER, JOHN:	10.00
Total WEST CENTRAL ROOFING INC:	3,850.00
Total WEST CENTRAL SANITATION:	602.62
Total XCEL ENERGY:	1,319.80
Total XEROX CORPORATION:	49.81
Total YMC ATTORNEY:	103.61
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Grand Totals:	480,086.57
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