

OFFICIAL CITY COUNCIL PROCEEDINGS  
REGULAR SESSION  
OCTOBER 3, 2016

A regular session of the Granite Falls City Council was called to order by Mayor Dave Smiglewski at 7:30 p.m., Monday, October 3<sup>rd</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 Michael Betker and City Clerk Joan Taylor. Also in attendance were Ambulance Director Jana Sletten, Steve Thompson with CMMPA, Don Reznechek with the Utilities Commission and Advocate News Editor Caitlyn Mahlum.

MINUTES: M/S NORDAUNE/SCHAUB TO APPROVE THE MINUTES OF THE SEPTEMBER 19<sup>th</sup> REGULAR MEETING. Motion carried unanimously.

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

AMBULANCE: Ambulance Director Jana Sletten was in attendance to get authorization for the Granite Falls Hospital and Manor to enter into a Titled Equipment Agreement with Wells Fargo Equipment Finance for the acquisition of a new ambulance. Following discussion Nordaune introduced a resolution authorizing the acquisition of the new ambulance.

RESOLUTION NO. 16-147

RESOLUTION AUTHORIZING GRANITE FALLS HOSPITAL & MANOR  
TO ENTER INTO AN EQUIPMENT AGREEMENT FOR ACQUISITION OF AN  
AMBULANCE

WHEREAS, the Granite Falls Hospital Board is recommending council authorizing the hospital to enter into an agreement with Wells Fargo Equipment Finance for the acquisition of a new ambulance.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the Granite Falls Hospital and Manor staff, by and on behalf of the City of Granite Falls, a political subdivision of the State of Minnesota, to enter into a Titled Equipment Agreement with Wells Fargo Equipment Finance for the acquisition of one (1) new 2016 Ford E450 Type III Ultramedic Road Rescue Vehicle together with all attachments and accessories, VIN 1FDXE4FS0GDC18051 in the amount of \$167,355.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Peterson, the resolution was adopted unanimously.

REPORTS: The following reports were acknowledged at this time: Airport Commission, Finance, Fire Department, Kilowatt Community Center, Public Works and Utilities Commission.

SOLAR ENERGY: Chief Executive Officer Steve Thompson from CMPAS was in attendance to discuss with council the proposed Community Solar Project. Following discussion Galow introduced a resolution and moved its adoption to partner with SMMPA through CMPAS in a 40 kW solar installation.

RESOLUTION NO. 16-148

RESOLUTION AUTHORIZING PARTICIPATION IN  
COMMUNITY SOLAR PROJECT

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the city, through CMMPA, to partner with SMMPA in a 40 kW solar installation.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Nordaune, the resolution was adopted unanimously.

MAINTENANCE OF CITY BUILDING: The following proposals were received on September 29<sup>th</sup> for the maintenance of city buildings:

<u>Contractor</u>	<u>Monthly</u>	<u>Add'l Work</u>
Brenda Peterson	\$750.00	\$15 per hour
Julie Nordaune	\$848.00	\$12.25 per hour
Shelby Nielsen	\$1,600.00	\$15 per hour

Following discussion, Nordaune introduced a resolution and moved its adoption to accept the low bid from Brenda Peterson in the amount of \$750 per month and \$15 per hour for any additional work requested for the maintenance of city buildings.

RESOLUTION NO. 16-149

RESOLUTION ACCEPTING BID FOR MAINTENANCE OF CITY BUILDINGS

WHEREAS, pursuant to Resolution No. 16-134 council called for bids for the custodial services for city buildings; and

WHEREAS, the following bids were received at 2:00 p.m. on Thursday, September 29<sup>th</sup>:

<u>Contractor</u>	<u>Monthly</u>	<u>Add'l Work</u>
Brenda Peterson	\$750.00	\$15 per hour
Julie Nordaune	\$848.00	\$12.25 per hour
Scott O'Neal	\$1,600.00	\$15 per hour

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the low bid received from Brenda Peterson in the amount of \$750 per month plus \$15 per hour for any additional work requested for custodial service of city buildings.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted unanimously.

BONDS: Peterson introduced the following resolution and moved its adoption accepting the offer to purchase GO Taxable Nursing Home Bonds 2016C.

RESOLUTION NO. 16-150

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

WHEREAS, the City of Granite Falls, Minnesota ("the City") owns and operates a 57-bed nursing home facility known as the Granite Falls Manor (the "Facility"); and

WHEREAS, the City Council of the City of Granite Falls, Minnesota (the "City"), 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"), pursuant to Minnesota Statutes, Chapters Section 376.56, Subdivision 3, issued for

the purpose of providing money to temporarily finance the acquisition and betterment of a new nursing home facility to replace the existing Granite Falls Manor facility, in anticipation of a long-term federal loan; and

WHEREAS, pursuant to Minnesota Statutes, Section 376.55, Subdivision 7 and a resolution adopted by the Board of Commissioners of Yellow Medicine County (the "County") on March 19, 2013, the County authorized the City to exercise, within the County, the powers of a county under Minnesota Statutes, Sections 376.55 to 376.60; and

WHEREAS, neither the issuance of the Temporary Bonds nor the issuance of the Bond shall increase the number of beds in the County or increase the number of accommodations for residents in the County; and

WHEREAS, other than the Temporary Bonds there are no other outstanding bonds payable from the net revenues of the Facility; and

WHEREAS, the City Council has heretofore determined that it is necessary and advisable to issue a \$7,500,000 General Obligation Taxable Nursing Home Revenue Bond of 2016C (the "Bond"), pursuant to Minnesota Statutes, Section 376.56 and the 2016D Bond (as hereinafter defined) to provide funds to pay the outstanding Temporary Bonds on the Call Date, as defined below (the "Refunding"); and

WHEREAS, the City proposes to issue on the same date as the Bond, a \$3,233,000 General Obligation Taxable Nursing Home Revenue Bond of 2016D (the "2016D Bond") to refund the remaining portion of the Temporary 2015A Bond not refunded by this Bond and a \$600,000 General Obligation Taxable Nursing Home Revenue Bond of 2016E (the "2016E Bonds") to finance a portion of the costs of the acquisition and betterment of the Facility and to which the revenues of the Facility will be pledged; and

WHEREAS, the Temporary Bonds mature on August 1, 2017, as provided in the resolution of the City Council, adopted September 2, 2014 as to the Temporary 2014B Bond and adopted on December 1, 2014 as to the Temporary 2015A Bond (together, the "Prior Resolutions") and under the terms of the Temporary Bonds and as part of the underlying security for the payment thereof, the City has covenanted to issue bonds for delivery and payment on or before the maturity date of the Temporary Bonds for the purpose of refunding the Temporary Bonds; and

WHEREAS, the City Council deems it desirable and in the best interests of the City to call the Temporary Bonds for redemption and prepayment on November 1, 2016 (the "Call Date"), in accordance with the Prior Resolutions; and

WHEREAS, the City has determined to accept the offer of the United States of America, the United States Department of Agriculture (the "Government"), administered by Rural Development ("RD"), to purchase a long term definitive bond of the City in the principal amount of \$7,500,000 for the purpose of financing a portion of the Refunding; and

WHEREAS, the Government's commitment to the City is for the purchase of one bond in the principal amount of \$7,500,000 with interest at the rate of two and three-eighths percent (2.375%) per annum; and

WHEREAS, the Government has agreed to purchase the Bond without requirement of a public sale, as permitted by Minnesota Statutes, Section 475.60, Subdivision 2(4), and has elected to purchase the Bond in the amount of \$7,500,000 as one bond with principal installments payable in accordance with the maturity schedule hereinafter set forth; and

WHEREAS, a contract or contracts for the Facility have been made by the City with the approval of the Government and all other state and federal agencies of which approval is required.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, as follows:

Acceptance of Offer; Place of Payment. The offer of the Government to purchase the Bond of the City, at the rate of interest hereinafter set forth, and to pay therefor the sum of \$7,500,000, is hereby accepted, and the sale of the Bond is hereby awarded to the Government. The Bond shall be payable as to principal and interest at the RD Office, in Willmar, Minnesota, or at such place or places as designated by the Government in writing.

Date; Denomination; Interest Rate; Maturities. The Bond shall be a fully registered negotiable bond dated as of the date of delivery and issued forthwith. The Bond shall be in the principal amount of \$7,500,000, bear interest on the unpaid principal amount thereof at the rate of two and three-eighths percent (2.375%) per annum, payable on January 1, 2017, and annually thereafter on January 1 of each year and mature on January 1 in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$119,000	2038	\$190,000
2019	122,000	2039	195,000
2020	125,000	2040	199,000
2021	128,000	2041	204,000
2022	131,000	2042	209,000
2023	134,000	2043	214,000
2024	137,000	2044	219,000
2025	140,000	2045	224,000
2026	144,000	2046	229,000
2027	147,000	2047	235,000
2028	150,000	2048	241,000
2029	154,000	2049	246,000
2030	158,000	2050	252,000
2031	161,000	2051	258,000
2032	165,000	2052	264,000
2033	169,000	2053	270,000
2034	173,000	2054	277,000
2035	177,000	2055	283,000
2036	181,000	2056	290,000
2037	186,000		

Purpose; Cost. The proceeds of the Bond (together with other available funds, if any) and the Series 2016D Bond shall provide funds to finance the Refunding. It is hereby found, determined and declared that the Bond and the 2016D Bond shall provide moneys for

the prompt and full payment of the principal on the Temporary Bonds. The Bond and the 2016D Bond does not exceed the total cost of the Refunding.

Redemption. Any or all installments of principal due on the Bond are subject to prepayment at the option of the City on any date in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of the affected Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Registration of Bond. At the time of issuance and delivery of the Bond, the City Clerk shall register the Bond in the name of the payee in a bond register which his or her successors in office shall maintain for the purpose of registering the ownership of the Bond. The Bond shall be prepared for execution with an appropriate text and spaces for notation of registration. The force and effect of such registration shall be as stated in the form of Bond hereinafter set forth. Payment of principal installments and interest, whether upon redemption or otherwise, made with respect to a Bond, may be made to the registered holder thereof or to the registered owner's legal representative, without presentation or surrender of the Bond.

Form of Bond. The Bond, together with the Certificate of Registration thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA  
 CHIPPEWA AND YELLOW MEDICINE COUNTIES  
 CITY OF GRANITE FALLS  
 \$7,500,000 GENERAL OBLIGATION TAXABLE NURSING HOME REVENUE BOND  
 OF 2016C

KNOW ALL PERSONS BY THESE PRESENTS that the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota (the "City"), certifies that it is indebted and for value received promises to pay to the United States of America, the United States Department of Agriculture, or the registered assign, the principal sum of SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000) on the first day of January in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$119,000	2038	\$190,000
2019	122,000	2039	195,000
2020	125,000	2040	199,000
2021	128,000	2041	204,000
2022	131,000	2042	209,000
2023	134,000	2043	214,000
2024	137,000	2044	219,000
2025	140,000	2045	224,000
2026	144,000	2046	229,000
2027	147,000	2047	235,000
2028	150,000	2048	241,000
2029	154,000	2049	246,000
2030	158,000	2050	252,000
2031	161,000	2051	258,000

2032	165,000	2052	264,000
2033	169,000	2053	270,000
2034	173,000	2054	277,000
2035	177,000	2055	283,000
2036	181,000	2056	290,000
2037	186,000		

and to pay interest on the balance of said principal sum from time to time remaining unpaid, from the date hereof until the principal amount hereof is paid, at the rate of two and three-eighths percent (2.375%) per annum, payable on the first day of January 2017, and annually thereafter on the first day of January in each year. Both principal and interest are payable at the Rural Development Office, in Willmar, Minnesota, or at such place or places as designated by the United States of America in writing, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Redemption. In addition to the installments of principal required to be paid by the City as hereinabove set forth, the City shall have the right to prepay on any date the entire principal amount hereof then remaining unpaid, or such lesser portion thereof as it may determine upon, in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of this Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Purpose; General Obligation. This Bond has been issued pursuant to and in full conformity with the Charter of the City, the Constitution and laws of the State of Minnesota for the purpose of refinancing temporary bonds of the City issued to finance the acquisition and betterment of a new nursing home facility to replace the existing facility known as Granite Falls Manor (the "Facility") and is payable out of the Debt Service Account of the Nursing Home Fund of the City, to which account have been pledged the net revenues of the Facility. This Bond constitutes a general obligation of the City, and to provide moneys for the prompt and full payment of said principal installments and interest when the same become due, the full faith, credit and taxing powers of the City have been and are hereby irrevocably pledged.

Registration; Transfer. This Bond shall be registered in the name of the payee on the books of the City by presenting this Bond for registration to the City Clerk, who will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration on the reverse side hereof. Thereafter this Bond may be transferred to a bona fide purchaser only by delivery with an assignment duly executed by the registered owner or the registered owner's legal representative, and the City may treat the registered owner as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the City Clerk.

Taxable Interest. The interest on this Bond is included in the gross income of the owner hereof for purposes of United States income tax and to the same extent in both gross income and taxable net income for purposes of State of Minnesota income tax.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the City as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Charter of the City, the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law and that this Bond, together with all other debts of the City outstanding on the date hereof, being the date of its actual issuance and delivery, does not exceed any charter, constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the signatures of its Mayor and its Clerk, the corporate seal of the City having been intentionally omitted as permitted by law, all as of (do not date), 2016.

(do not sign)  
Clerk

(do not sign)  
Mayor

(on reverse side of bond)

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>DATE OF REGISTRATION</u>	<u>REGISTERED OWNER</u>	<u>SIGNATURE OF CITY CLERK</u>
<u>(do not date)</u> , 2016	United States of America, Rural Development Office <u>Willmar, MN</u>	<u>(do not sign)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____



Execution. The Bond shall be executed on behalf of the City by the signatures of its Mayor and Clerk and be sealed with the seal of the City; provided, however, that the seal may be omitted as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bond may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

Delivery; Application of Proceeds. The Bond when so prepared and executed shall be delivered by the Finance Director to the purchaser thereof upon receipt of the purchase price, and the purchaser shall not be obliged to see to the proper application thereof.

Fund and Accounts. The City has heretofore established a special fund designated as the Nursing Home Fund (the "Nursing Home Fund"), and has created various accounts, including an Operation and Maintenance Account and a Debt Service Account within the Nursing Home Fund. The City agrees to continue to maintain the Nursing Home Fund and to deposit in the Operation and Maintenance Account all of the gross revenues of the Facility. The City hereby covenants and agrees that it will, so long as the Bond is outstanding, maintain the Nursing Home Fund as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. All of the gross income and revenue derived from the operation of the Facility, and of any future additions or improvements to the Facility, including all amounts received with respect to services and commodities furnished by the Facility to any person are appropriated and pledged to the Operation and Maintenance Account of the Nursing Home Fund, which the City shall continue to maintain as a separate and special fund on the books of the City until the Bond is fully paid. The City Finance Director shall maintain books and records showing all receipts and disbursements of revenues herein pledged to the Nursing Home Fund and of all other moneys pertaining to the Facility and in addition to the accounts heretofore created in the Nursing Home Fund, there shall be established a Payment Account and the Debt Service Account shall continue to be maintained in the Nursing Home Fund:

Payment Account. All of the proceeds of the Bond shall be deposited in the Payment Account of the Nursing Home Fund (the "Payment Account"), which amount, together with the proceeds of the 2016D Bond and available funds of the City shall be sufficient to prepay the outstanding Temporary Bonds on the Call Date.

Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) net revenues of the Facility in an amount sufficient to pay the principal and interest due on the Bond, the 2016D Bond and the 2016E Bond; (ii) all collections of taxes which may hereafter be levied in the event that net revenues and other funds herein pledged to the payment of the principal and interest of the Bond and the 2016D Bond and the 2016E Bond are insufficient therefor; (iii) all funds remaining on deposit in the Payment Account after the Temporary Bonds have been paid and discharged; (iv) all investment earnings on funds held in the Debt Service Account; and (v) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bond, the 2016D Bond and the 2016E Bond and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

Other Accounts. The City reserves the power to establish other accounts in the Nursing Home Fund for the purpose of segregating revenues pledged for the payment and security of any revenue bonds which may in future be issued to finance improvements or additions to the Facility, and are made payable solely from such revenues. The amounts required for this purpose may be credited to such accounts from the net revenues prior to depositing the net revenues to the Debt Service Account for the payment and security of Bonds issued under and as contemplated in this resolution.

Tax Levy. The City Council shall determine on or before October 1 in each year whether the amount then held in the Debt Service Account and the amounts estimated to be received therein in the following year are sufficient to pay the principal and interest on the Bond, the 2016D Bond and the 2016E Bond. If not, the City Council shall by resolution levy an ad valorem tax upon all taxable property within its corporate limits, in an amount at least equal to 105% of the amount of the deficiency, and the Administrator shall certify this tax to the County Auditors' of Chippewa County and Yellow Medicine County for collection in the following year with other general taxes of the City. As provided in Minnesota Statutes, Sections 475.61 and 475.74, the levy of such taxes, if required, shall not be subject to any statutory limitation of rate or amount.

Coverage Test; Pledge of Net Revenues; Excess Net Revenues. It is hereby found, determined and declared that the net revenues of the Facility are sufficient in amount to pay when due the principal of and interest on the Bond, the 2016D Bond and the 2016E Bond and a sum at least five percent in excess thereof, and the net revenues of the Facility are hereby pledged on a parity with the 2016D Bond and the 2016E Bond for the payment of the Bond and shall be applied for that purpose, but solely to the extent required to meet the principal and interest requirements of the Bond as the same become due. Excess net revenues may be used for any proper purpose. Nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for the payment of other or additional obligations of the City and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on a parity with the pledge and appropriation herein. In addition, nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for any other governmental purposes and levying a tax for the payment of the Bonds.

General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bond, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the net revenues of the Facility appropriated and pledged to the payment of principal and interest on the Bond, together with other funds irrevocably appropriated to the Debt Service Account, shall at any time be insufficient to pay such principal and interest when due, the City covenants and agrees to levy, without limitation as to rate or amount, an ad valorem tax upon all taxable property in the City sufficient to pay such principal and interest as they become due. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bond, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

No Defeasance. So long as Government is the holder of the Bond, the City shall not, and hereby covenants not to, cause the Bond to be defeased by the deposit of moneys or investments sufficient to pay the Bond more than ninety days after the deposit of such moneys or investments.

Certificate of Registration. The Clerk is hereby directed to file a certified copy of this resolution with the County Auditor of Chippewa County, Minnesota and Yellow Medicine County, Minnesota, together with such other information as each such County Auditor shall require, and to obtain from each County Auditor a County Auditor's certificate that the Bond has been entered in each respective County Auditor's Bond Register.

RD Loan Resolution. Each and all of the provisions of this resolution relating to the Bond are intended to be consistent with the provisions of the Loan Resolution (Form RD No. 1942-47) adopted by the City, and to the extent that any provision in the Loan Resolution is in conflict with this resolution as it relates to the Bond, that provision shall control and this resolution shall be deemed accordingly modified.

Payment of Temporary Bonds; Notices of Call for Redemption. The Temporary Bonds will be paid on the Call Date. The Administrator is hereby authorized and directed to give mailed notice of redemption to the registered owner of the Temporary Bonds, at the address shown on the registration books kept by the bond registrar for the Temporary Bonds, on a date that gives the registered owner of the Temporary Bonds at least thirty days' mailed notice prior to the Call Date. The Notices of Call for Redemption shall be in substantially the forms attached hereto as Exhibit A and Exhibit B.

Temporary Bonds; Security. Until retirement of the Temporary Bonds, all provisions theretofore made for the security thereof shall be observed by the City and all of its officers and agents.

Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to RD, and to the attorneys approving the legality of the issuance of the Bond, certified copies of all proceedings and records of the City relating to the Bond and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bond as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Taxable Status of the Bonds. The City does not qualify the Bonds as tax-exempt under the Internal Revenue Code of 1986, as amended. It is hereby determined that the Bonds are to be issued as fully taxable obligations, and all interest received on the Bonds is to be included in the gross income of the Holder of any Bond for federal income taxation purposes and, to the same extent, in both gross income and taxable net income for state income taxation purposes.

Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member Fagnano 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 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 \$7,500,000 General Obligation Taxable Nursing Home Revenue Bond of 2016C.

WITNESS my hand on October 3, 2016.

\_\_\_\_\_  
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

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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

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.

With second by Fagnano, the resolution was adopted unanimously.

Nordane introduced the following resolution and moved its adoption accepting the offer to purchase GO Taxable Nursing Home Bonds 2016D.

RESOLUTION NO. 16-151

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

WHEREAS, the City of Granite Falls, Minnesota ("the City") owns and operates a 57-bed nursing home facility known as the Granite Falls Manor (the "Facility"); and

WHEREAS, the City Council of the City of Granite Falls, Minnesota (the "City"), authorized the issuance and sale of \$5,730,000 General Obligation Taxable Nursing Home Revenue Bonds, Series 2015A bearing a date of original issue of January 7, 2015 (the "Temporary Bond"), pursuant to Minnesota Statutes, Chapters Section 376.56, Subdivision 3, issued for the purpose of providing money to temporarily finance the acquisition and betterment of a new nursing home facility to replace the existing Granite Falls Manor facility, in anticipation of a long-term federal loan; and

WHEREAS, pursuant to Minnesota Statutes, Section 376.55, Subdivision 7 and a resolution adopted by the Board of Commissioners of Yellow Medicine County (the "County") on March 19, 2013, the County authorized the City to exercise, within the County, the powers of a county under Minnesota Statutes, Sections 376.55 to 376.60; and

WHEREAS, neither the issuance of the Temporary Bond nor the issuance of the Bond shall increase the number of beds in the County or increase the number of accommodations for residents in the County; and

WHEREAS, other than the Temporary Bond there are no other outstanding bonds payable from the net revenues of the Facility; and

WHEREAS, the City Council has heretofore determined that it is necessary and advisable to issue a \$3,233,000 General Obligation Taxable Nursing Home Revenue Bond of 2016D (the "Bond"), pursuant to Minnesota Statutes, Section 376.56 and the 2016C Bond

(as hereinafter defined) to provide funds to pay the outstanding Temporary Bond on the Call Date, as defined below (the "Refunding"); and

WHEREAS, the City proposes to issue on the same date as the Bond, a \$7,500,000 General Obligation Taxable Nursing Home Revenue Bond of 2016C (the "2016C Bond") to refund the remaining portion of the Temporary Bond not refunded by this Bond and a \$600,000 General Obligation Taxable Nursing Home Revenue Bond of 2016E (the "2016E Bonds") to finance a portion of the costs of the acquisition and betterment of the Facility and to which the revenues of the Facility will be pledged; and

WHEREAS, the Temporary Bond matures on August 1, 2017, as provided in the resolution of the City Council, adopted on December 1, 2014 (the "Prior Resolution") and under the terms of the Temporary Bond and as part of the underlying security for the payment thereof, the City has covenanted to issue bonds for delivery and payment on or before the maturity date of the Temporary Bond for the purpose of refunding the Temporary Bond; and

WHEREAS, the City Council deems it desirable and in the best interests of the City to call the Temporary Bond for redemption and prepayment on November 1, 2016 (the "Call Date"), in accordance with the Prior Resolution; and

WHEREAS, the City has determined to accept the offer of the United States of America, the United States Department of Agriculture (the "Government"), administered by Rural Development ("RD"), to purchase a long term definitive bond of the City in the principal amount of \$3,233,000 for the purpose of financing a portion of the Refunding; and

WHEREAS, the Government's commitment to the City is for the purchase of one bond in the principal amount of \$3,233,000 with interest at the rate of two and three-eighths percent (2.375%) per annum; and

WHEREAS, the Government has agreed to purchase the Bond without requirement of a public sale, as permitted by Minnesota Statutes, Section 475.60, Subdivision 2(4), and has elected to purchase the Bond in the amount of \$3,233,000 as one bond with principal installments payable in accordance with the maturity schedule hereinafter set forth; and

WHEREAS, a contract or contracts for the Facility have been made by the City with the approval of the Government and all other state and federal agencies of which approval is required.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, as follows:

Acceptance of Offer; Place of Payment. The offer of the Government to purchase the Bond of the City, at the rate of interest hereinafter set forth, and to pay therefor the sum of \$3,233,000, is hereby accepted, and the sale of the Bond is hereby awarded to the Government. The Bond shall be payable as to principal and interest at the RD Office, in Willmar, Minnesota, or at such place or places as designated by the Government in writing.

Date; Denomination; Interest Rate; Maturities. The Bond shall be a fully registered negotiable bond dated as of the date of delivery and issued forthwith. The Bond shall be in the principal amount of \$3,233,000, bear interest on the unpaid principal amount thereof at

the rate of two and three-eighths percent (2.375%) per annum, payable on January 1, 2017, and annually thereafter on January 1 of each year and mature on January 1 in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$51,000	2038	\$82,000
2019	53,000	2039	84,000
2020	54,000	2040	86,000
2021	55,000	2041	88,000
2022	56,000	2042	90,000
2023	58,000	2043	92,000
2024	59,000	2044	94,000
2025	60,000	2045	97,000
2026	62,000	2046	99,000
2027	63,000	2047	101,000
2028	65,000	2048	104,000
2029	66,000	2049	106,000
2030	68,000	2050	109,000
2031	70,000	2051	111,000
2032	71,000	2052	114,000
2033	73,000	2053	117,000
2034	75,000	2054	119,000
2035	76,000	2055	122,000
2036	78,000	2056	125,000
2037	80,000		

Purpose; Cost. The proceeds of the Bond (together with other available funds, if any) shall provide funds to finance the Refunding. It is hereby found, determined and declared that the Bond shall provide moneys for the prompt and full payment of the principal on the Temporary Bond. The Bond does not exceed the total cost of the Refunding.

Redemption. Any or all installments of principal due on the Bond are subject to prepayment at the option of the City on any date in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of the affected Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Registration of Bond. At the time of issuance and delivery of the Bond, the City Clerk shall register the Bond in the name of the payee in a bond register which his or her successors in office shall maintain for the purpose of registering the ownership of the Bond. The Bond shall be prepared for execution with an appropriate text and spaces for notation of registration. The force and effect of such registration shall be as stated in the form of Bond hereinafter set forth. Payment of principal installments and interest, whether upon redemption or otherwise, made with respect to a Bond, may be made to the registered holder thereof or to the registered owner's legal representative, without presentation or surrender of the Bond.



Form of Bond. The Bond, together with the Certificate of Registration thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA  
 CHIPPEWA AND YELLOW MEDICINE COUNTIES  
 CITY OF GRANITE FALLS  
 \$3,233,000 GENERAL OBLIGATION TAXABLE NURSING HOME REVENUE BOND  
 OF 2016D

KNOW ALL PERSONS BY THESE PRESENTS that the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota (the "City"), certifies that it is indebted and for value received promises to pay to the United States of America, the United States Department of Agriculture, or the registered assign, the principal sum of THREE MILLION TWO HUNDRED THIRTY THREE THOUSAND DOLLARS (\$3,233,000) on the first day of January in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$51,000	2038	\$82,000
2019	53,000	2039	84,000
2020	54,000	2040	86,000
2021	55,000	2041	88,000
2022	56,000	2042	90,000
2023	58,000	2043	92,000
2024	59,000	2044	94,000
2025	60,000	2045	97,000
2026	62,000	2046	99,000
2027	63,000	2047	101,000
2028	65,000	2048	104,000
2029	66,000	2049	106,000
2030	68,000	2050	109,000
2031	70,000	2051	111,000
2032	71,000	2052	114,000
2033	73,000	2053	117,000
2034	75,000	2054	119,000
2035	76,000	2055	122,000
2036	78,000	2056	125,000
2037	80,000		

and to pay interest on the balance of said principal sum from time to time remaining unpaid, from the date hereof until the principal amount hereof is paid, at the rate of two and three-eighths percent (2.375%) per annum, payable on the first day of January 2017, and annually thereafter on the first day of January in each year. Both principal and interest are payable at the Rural Development Office, in Willmar, Minnesota, or at such place or places as designated by the United States of America in writing, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Redemption. In addition to the installments of principal required to be paid by the City as hereinabove set forth, the City shall have the right to prepay on any date the entire principal amount hereof then remaining unpaid, or such lesser portion thereof as it may

determine upon, in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of this Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Purpose; General Obligation. This Bond has been issued pursuant to and in full conformity with the Charter of the City, the Constitution and laws of the State of Minnesota for the purpose of refinancing temporary bonds of the City issued to finance the acquisition and betterment of a new nursing home facility to replace the existing facility known as Granite Falls Manor (the "Facility") and is payable out of the Debt Service Account of the Nursing Home Fund of the City, to which account have been pledged the net revenues of the Facility. This Bond constitutes a general obligation of the City, and to provide moneys for the prompt and full payment of said principal installments and interest when the same become due, the full faith, credit and taxing powers of the City have been and are hereby irrevocably pledged.

Registration; Transfer. This Bond shall be registered in the name of the payee on the books of the City by presenting this Bond for registration to the City Clerk, who will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration on the reverse side hereof. Thereafter this Bond may be transferred to a bona fide purchaser only by delivery with an assignment duly executed by the registered owner or the registered owner's legal representative, and the City may treat the registered owner as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the City Clerk.

Taxable Interest. The interest on this Bond is included in the gross income of the owner hereof for purposes of United States income tax and to the same extent in both gross income and taxable net income for purposes of State of Minnesota income tax.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the City as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Charter of the City, the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law and that this Bond, together with all other debts of the City outstanding on the date hereof, being the date of its actual issuance and delivery, does not exceed any charter, constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the signatures of its Mayor and its Clerk, the corporate seal of the City having been intentionally omitted as permitted by law, all as of (do not date), 2016.

(do not sign) \_\_\_\_\_

(do not sign) \_\_\_\_\_

Mayor

(on reverse side of bond)

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>DATE OF REGISTRATION</u>	<u>REGISTERED OWNER</u>	<u>SIGNATURE OF CITY CLERK</u>
(do not date) _____, 2016	United States of America, Rural Development Office Willmar, MN _____	(do not sign) _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Execution. The Bond shall be executed on behalf of the City by the signatures of its Mayor and Clerk and be sealed with the seal of the City; provided, however, that the seal may be omitted as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bond may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

Delivery; Application of Proceeds. The Bond when so prepared and executed shall be delivered by the Finance Director to the purchaser thereof upon receipt of the purchase price, and the purchaser shall not be obliged to see to the proper application thereof.

Fund and Accounts. The City has heretofore established a special fund designated as the Nursing Home Fund (the "Nursing Home Fund"), and has created various accounts, including an Operation and Maintenance Account and a Debt Service Account within the Nursing Home Fund. The City agrees to continue to maintain the Nursing Home Fund and to deposit in the Operation and Maintenance Account all of the gross revenues of the Facility. The City hereby covenants and agrees that it will, so long as the Bond is outstanding, maintain the Nursing Home Fund as a bookkeeping account separate and apart

from all other funds maintained in the official financial records of the City. All of the gross income and revenue derived from the operation of the Facility, and of any future additions or improvements to the Facility, including all amounts received with respect to services and commodities furnished by the Facility to any person are appropriated and pledged to the Operation and Maintenance Account of the Nursing Home Fund, which the City shall continue to maintain as a separate and special fund on the books of the City until the Bond is fully paid. The City Finance Director shall maintain books and records showing all receipts and disbursements of revenues herein pledged to the Nursing Home Fund and of all other moneys pertaining to the Facility and in addition to the accounts heretofore created in the Nursing Home Fund, there shall be established a Payment Account and the Debt Service Account shall continue to be maintained in the Nursing Home Fund:

Payment Account. All of the proceeds of the Bond shall be deposited in the Payment Account of the Nursing Home Fund (the "Payment Account"), which amount, together with the proceeds of the 2016C Bond and available funds of the City shall be sufficient to prepay the outstanding Temporary Bond on the Call Date.

Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) net revenues of the Facility in an amount sufficient to pay the principal and interest due on the Bond, the 2016C Bond and the 2016E Bond; (ii) all collections of taxes which may hereafter be levied in the event that net revenues and other funds herein pledged to the payment of the principal and interest of the Bond and the 2016C Bond and the 2016E Bond are insufficient therefor; (iii) all funds remaining on deposit in the Payment Account after the Temporary Bond and the City's \$5,000,000 General Obligation Temporary Nursing Home Revenue Bonds, Series 2014B bonds have been paid and discharged; (iv) all investment earnings on funds held in the Debt Service Account; and (v) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bond, the 2016C Bond and the 2016E Bond and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

Other Accounts. The City reserves the power to establish other accounts in the Nursing Home Fund for the purpose of segregating revenues pledged for the payment and security of any revenue bonds which may in future be issued to finance improvements or additions to the Facility, and are made payable solely from such revenues. The amounts required for this purpose may be credited to such accounts from the net revenues prior to depositing the net revenues to the Debt Service Account for the payment and security of Bonds issued under and as contemplated in this resolution.

Tax Levy. The City Council shall determine on or before October 1 in each year whether the amount then held in the Debt Service Account and the amounts estimated to be received therein in the following year are sufficient to pay the principal and interest on the Bond, the 2016C Bond and the 2016E Bond. If not, the City Council shall by resolution levy an ad valorem tax upon all taxable property within its corporate limits, in an amount at least equal to 105% of the amount of the deficiency, and the Administrator shall certify this tax to the County Auditors' of Chippewa County and Yellow Medicine County for collection in the following year with other general taxes of the City. As provided in

Minnesota Statutes, Sections 475.61 and 475.74, the levy of such taxes, if required, shall not be subject to any statutory limitation of rate or amount.

Coverage Test; Pledge of Net Revenues; Excess Net Revenues. It is hereby found, determined and declared that the net revenues of the Facility are sufficient in amount to pay when due the principal of and interest on the Bond, the 2016C Bond and the 2016E Bond and a sum at least five percent in excess thereof, and the net revenues of the Facility are hereby pledged on a parity with the 2016C Bond and the 2016E Bond for the payment of the Bond and shall be applied for that purpose, but solely to the extent required to meet the principal and interest requirements of the Bond as the same become due. Excess net revenues may be used for any proper purpose. Nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for the payment of other or additional obligations of the City and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on a parity with the pledge and appropriation herein. In addition, nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for any other governmental purposes and levying a tax for the payment of the Bonds.

General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bond, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the net revenues of the Facility appropriated and pledged to the payment of principal and interest on the Bond, together with other funds irrevocably appropriated to the Debt Service Account, shall at any time be insufficient to pay such principal and interest when due, the City covenants and agrees to levy, without limitation as to rate or amount, an ad valorem tax upon all taxable property in the City sufficient to pay such principal and interest as they become due. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bond, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

No Defeasance. So long as Government is the holder of the Bond, the City shall not, and hereby covenants not to, cause the Bond to be defeased by the deposit of moneys or investments sufficient to pay the Bond more than ninety days after the deposit of such moneys or investments.

Certificate of Registration. The Clerk is hereby directed to file a certified copy of this resolution with the County Auditor of Chippewa County, Minnesota and Yellow Medicine County, Minnesota, together with such other information as each such County Auditor shall require, and to obtain from each County Auditor a County Auditor's certificate that the Bond has been entered in each respective County Auditor's Bond Register.

RD Loan Resolution. Each and all of the provisions of this resolution relating to the Bond are intended to be consistent with the provisions of the Loan Resolution (Form RD No. 1942-47) adopted by the City, and to the extent that any provision in the Loan Resolution is in conflict with this resolution as it relates to the Bond, that provision shall control and this resolution shall be deemed accordingly modified.

Payment of Temporary Bond. The Temporary Bond will be paid on the Call Date.

Temporary Bond; Security. Until retirement of the Temporary Bond, all provisions theretofore made for the security thereof shall be observed by the City and all of its officers and agents.

Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to RD, and to the attorneys approving the legality of the issuance of the Bond, certified copies of all proceedings and records of the City relating to the Bond and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bond as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Taxable Status of the Bonds. The City does not qualify the Bonds as tax-exempt under the Internal Revenue Code of 1986, as amended. It is hereby determined that the Bonds are to be issued as fully taxable obligations, and all interest received on the Bonds is to be included in the gross income of the Holder of any Bond for federal income taxation purposes and, to the same extent, in both gross income and taxable net income for state income taxation purposes.

Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member Peterson 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 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 \$3,233,000 General Obligation Taxable Nursing Home Revenue Bond of 2016D.

WITNESS my hand on October 3, 2016.

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Clerk

With second by Peterson, the resolution was adopted unanimously.

Peterson introduced the following resolution and moved its adoption accepting the offer to purchase GO Taxable Nursing Home Bonds 2016E.

RESOLUTION NO. 16-152

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

WHEREAS, the City of Granite Falls, Minnesota ("the City") owns and operates an existing 57-bed nursing home facility known as the Granite Falls Manor; and

WHEREAS, the City Council has heretofore determined and declared that it is necessary and expedient to issue \$600,000 General Obligation Taxable Nursing Home Revenue Bond of 2016E (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Section 376.56, Subdivision 3, for the purpose of providing money to finance a portion of the cost of the acquisition and betterment of a new facility to replace the existing facility (the "Facility") without increasing the number of beds in Yellow Medicine County, Minnesota (the "County") and not increasing the number of accommodations for residents; and

WHEREAS, pursuant to Minnesota Statutes, Section 376.55, Subdivision 7 and a resolution adopted by the County's Board of Commissioners on March 19, 2013, the County authorized the City to exercise, within the County, the powers of a county under Minnesota Statutes, Sections 376.55 to 376.60; and

WHEREAS, there are no outstanding obligations of the City, any portion of the interest and principal of which would constitute a prior lien upon the net revenues of the Facility; and

WHEREAS, the City proposes to issue on same date as the Bond, a \$7,500,000 General Obligation Taxable Nursing Home Revenue Bond of 2016C (the "2016C Bond") and a \$3,233,000 General Obligation Taxable Nursing Home Revenue Bond of 2016D (the "2016D Bond") to refund outstanding temporary bonds issued to finance the Facility and to which the revenues of the Facility will be pledged; and

WHEREAS, the City has determined to accept the offer of the United States of America, the United States Department of Agriculture (the "Government"), administered by Rural Development ("RD"), to purchase the Bond; and

WHEREAS, the Government's commitment to the City is for the purchase of one bond in the principal amount of \$600,000 with interest at the rate of two and three-eighths percent (2.375%) per annum; and

WHEREAS, the Government has agreed to purchase the Bond without requirement of a public sale, as permitted by Minnesota Statutes, Section 475.60, Subdivision 2(4), and has elected to purchase the Bond in the amount of \$600,000 as one bond with principal installments payable in accordance with the maturity schedule hereinafter set forth; and

WHEREAS, a contract or contracts for the Facility have been made by the City with the approval of the Government and all other state and federal agencies of which approval is required.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, as follows:

Acceptance of Offer; Place of Payment. The offer of the Government to purchase the Bond of the City, at the rate of interest hereinafter set forth, and to pay therefor the sum of \$600,000, is hereby accepted, and the sale of the Bond is hereby awarded to the Government. The Bond shall be payable as to principal and interest at the RD Office, in Willmar, Minnesota, or at such place or places as designated by the Government in writing.

Date; Denomination; Interest Rate; Maturities. The Bond shall be a fully registered negotiable bond dated as of the date of delivery and issued forthwith. The Bond shall be in the principal amount of \$600,000, bear interest on the unpaid principal amount thereof at the rate of two and three-eighths percent (2.375%) per annum, payable on January 1, 2017, and annually thereafter on January 1 of each year and mature on January 1 in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$9,000	2038	\$15,000
2019	10,000	2039	16,000
2020	10,000	2040	16,000
2021	10,000	2041	16,000
2022	10,000	2042	17,000
2023	11,000	2043	17,000
2024	11,000	2044	17,000
2025	11,000	2045	18,000
2026	11,000	2046	18,000
2027	12,000	2047	19,000
2028	12,000	2048	19,000
2029	12,000	2049	20,000
2030	13,000	2050	20,000
2031	13,000	2051	21,000
2032	13,000	2052	21,000
2033	14,000	2053	22,000
2034	14,000	2054	22,000
2035	14,000	2055	23,000
2036	15,000	2056	23,000
2037	15,000		

Purpose; Cost. The proceeds of the Bond shall provide funds to finance a portion of the Facility. The principal of the Bond does not exceed the cost of the portion of the Facility to be financed by the Bond. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Facility proceeds with due diligence to completion and that any and all permits and studies required under the law for the Facility are obtained.



Redemption. Any or all installments of principal due on the Bond are subject to prepayment at the option of the City on any date in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of the affected Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Registration of Bond. At the time of issuance and delivery of the Bond, the City Clerk shall register the Bond in the name of the payee in a bond register which his or her successors in office shall maintain for the purpose of registering the ownership of the Bond. The Bond shall be prepared for execution with an appropriate text and spaces for notation of registration. The force and effect of such registration shall be as stated in the form of Bond hereinafter set forth. Payment of principal installments and interest, whether upon redemption or otherwise, made with respect to a Bond, may be made to the registered holder thereof or to the registered owner's legal representative, without presentation or surrender of the Bond.

Form of Bond. The Bond, together with the Certificate of Registration thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA  
 CHIPPEWA AND YELLOW MEDICINE COUNTIES  
 CITY OF GRANITE FALLS  
 \$600,000 GENERAL OBLIGATION TAXABLE NURSING HOME REVENUE BOND  
 OF 2016E

KNOW ALL PERSONS BY THESE PRESENTS that the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota (the "City"), certifies that it is indebted and for value received promises to pay to the United States of America, the United States Department of Agriculture, or the registered assign, the principal sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000), or so much as may have been advanced, on the first day of January in the years and installments as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$9,000	2038	\$15,000
2019	10,000	2039	16,000
2020	10,000	2040	16,000
2021	10,000	2041	16,000
2022	10,000	2042	17,000
2023	11,000	2043	17,000
2024	11,000	2044	17,000
2025	11,000	2045	18,000
2026	11,000	2046	18,000
2027	12,000	2047	19,000
2028	12,000	2048	19,000
2029	12,000	2049	20,000
2030	13,000	2050	20,000
2031	13,000	2051	21,000
2032	13,000	2052	21,000
2033	14,000	2053	22,000
2034	14,000	2054	22,000

2035	14,000	2055	23,000
2036	15,000	2056	23,000
2037	15,000		

and to pay interest on so much of the principal amount of the Bond as may be advanced and remains unpaid until the principal amount hereof is paid or has been provided for, at the rate of two and three-eighths percent (2.375%) per annum. Interest starts accruing as of the date of the initial advance. Interest shall accrue only on the aggregate amount of this Bond which has been advanced. The principal installments shall be paid in the amounts scheduled above even if at the time of payment the full principal amount of this Bond has not been advanced; provided that if the full principal amount of this Bond is never advanced, the amount of the principal not advanced shall be applied to reduce each unpaid principal installment in the proportion that such installment bears to the total of all unpaid principal installments (i.e., the remaining principal payment schedule shall be reamortized to provide similarly level annual installments of total debt service payments). Both principal and interest are payable at the Rural Development Office, in Marshall, Minnesota, or at such place or places as designated by the United States of America in writing, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Redemption. In addition to the installments of principal required to be paid by the City as hereinabove set forth, the City shall have the right to prepay on any date the entire principal amount hereof then remaining unpaid, or such lesser portion thereof as it may determine upon, in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of this Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Purpose; General Obligation. This Bond has been issued pursuant to and in full conformity with the Charter of the City, the Constitution and laws of the State of Minnesota for the purpose of providing money to finance a portion of the acquisition and betterment of a new nursing home facility to replace the existing facility known as Granite Falls Manor (the "Facility") and is payable out of the Debt Service Account of the Nursing Home Fund of the City, to which account have been pledged the net revenues of the Facility. This Bond constitutes a general obligation of the City, and to provide moneys for the prompt and full payment of said principal installments and interest when the same become due, the full faith, credit and taxing powers of the City have been and are hereby irrevocably pledged.

Registration; Transfer. This Bond shall be registered in the name of the payee on the books of the City by presenting this Bond for registration to the City Clerk, who will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration on the reverse side hereof. Thereafter this Bond may be transferred to a bona fide purchaser only by delivery with an assignment duly executed by the registered owner or the registered owner's legal representative, and the City may treat the registered owner as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the City Clerk.

Taxable Interest. The interest on this Bond is included in the gross income of the owner hereof for purposes of United States income tax and to the same extent in both gross income and taxable net income for purposes of State of Minnesota income tax.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the City as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Charter of the City, the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the City outstanding on the date hereof, being the date of its actual issuance and delivery, does not exceed any charter, constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Granite Falls, Chippewa and Yellow Medicine Counties, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the signatures of its Mayor and its Clerk, the corporate seal of the City having been intentionally omitted as permitted by law, all as of (do not date), 2016.

(do not sign)  
Clerk

(do not sign)  
Mayor

(on reverse side of bond)

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>DATE OF REGISTRATION</u>	<u>REGISTERED OWNER</u>	<u>SIGNATURE OF CITY CLERK</u>
<u>(do not date)</u> , 2016	United States of America, Rural Development Office <u>Willmar, MN</u>	<u>(do not sign)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

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Execution. The Bond shall be executed on behalf of the City by the signatures of its Mayor and Clerk and be sealed with the seal of the City; provided, however, that the seal may be omitted as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bond may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

Delivery; Application of Proceeds. The Bond when so prepared and executed shall be delivered by the Finance Director to the purchaser thereof upon receipt of the purchase price, and the purchaser shall not be obliged to see to the proper application thereof.

Fund and Accounts. The City has heretofore established a special fund designated as the Nursing Home Fund (the "Nursing Home Fund"), and has created various accounts, including a Construction Account, an Operation and Maintenance Account and a Debt Service Account within the Nursing Home Fund. The City agrees to continue to maintain the Nursing Home Fund and to deposit in the Operation and Maintenance Account all of the gross revenues of the Facility. The City hereby covenants and agrees that it will, so long as the Bond is outstanding, maintain the Nursing Home Fund as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. All of the gross income and revenue derived from the operation of the Facility, and of any future additions or improvements to the Facility, including all amounts received with respect to services and commodities furnished by the Facility to any person are appropriated and pledged to the Operation and Maintenance Account of the Nursing Home Fund, which the City shall continue to maintain as a separate and special fund on the books of the City until the Bond is fully paid. The City Finance Director shall maintain books and records showing all receipts and disbursements of revenues herein pledged to the Nursing Home Fund and of all other moneys pertaining to the Facility and in addition to the accounts heretofore created in the Nursing Home Fund, the Construction Account and the Debt Service Account shall continue to be maintained in the Nursing Home Fund:

A "Construction Account", To the Construction Account there shall be credited all proceeds received from the advancement of the proceeds of the Bond. It is recognized that the sale proceeds of the Bond are received in reimbursement for costs expended on the Facility or in direct payment of such costs, and that accordingly the moneys need not be placed in the Construction Account upon receipt but may be applied immediately to reimburse the source from which the expenditure was made. The moneys in the Construction Account shall be used solely for the purpose of paying for the cost of constructing the Facility, including all costs enumerated in Minnesota Statutes, Section 475.65. Upon completion of the Facility and the payment of the costs thereof, any unexpended balance in the Construction Account shall be transferred to the Debt Service Account. All earnings on the Construction Account shall remain in the Construction Account.

A "Debt Service Account", There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) net revenues of the Facility

in an amount sufficient to pay the principal and interest due on the Bond, the 2016C Bond and the 2016D Bond; (ii) all collections of taxes which may hereafter be levied in the event that net revenues and other funds herein pledged to the payment of the principal and interest of the Bond and the 2016C Bond and the 2016D Bond are insufficient therefor; (iii) all funds remaining on deposit in the Payment Account after the Temporary Bonds have been paid and discharged; (iv) all investment earnings on funds held in the Debt Service Account; and (v) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bond, the 2016C Bond and the 2016D Bond and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

All moneys of the Nursing Home Fund shall be deposited in a bank which is a member of the Federal Deposit Insurance Corporation. Upon issuance of the Bonds, the Construction Account in said Nursing Home Fund shall be established as a "supervised bank account" if and as required by the Government. Amounts in the supervised bank account exceeding \$100,000 shall be secured by the depository bank in advance in accordance with U.S. Treasury Department Circular No. 176. Withdrawals from the supervised bank account shall be made only on checks signed by the Finance Director (or any other person who is lawfully delegated the responsibility of performing such duty) as certified to by the City Council of the City, from time to time and countersigned by a Director of RD authorized to act on behalf of the Government. Any liquidated damages and other moneys paid by defaulting contractors or their sureties shall be deposited in the Construction Account to assure completion of the Facility.

Other Accounts. The City reserves the power to establish other accounts in the Nursing Home Fund for the purpose of segregating revenues pledged for the payment and security of any revenue bonds which may in future be issued to finance improvements or additions to the Facility, and are made payable solely from such revenues. The amounts required for this purpose may be credited to such accounts from the net revenues prior to depositing the net revenues to the Debt Service Account for the payment and security of Bonds issued under and as contemplated in this resolution.

Tax Levy. The City Council shall determine on or before October 1 in each year whether the amount then held in the Debt Service Account and the amounts estimated to be received therein in the following year are sufficient to pay the principal and interest on the Bond, the 2016C Bond and the 2016E Bond. If not, the City Council shall by resolution levy an ad valorem tax upon all taxable property within its corporate limits, in an amount at least equal to 105% of the amount of the deficiency, and the Administrator shall certify this tax to the County Auditors' of Chippewa County and Yellow Medicine County for collection in the following year with other general taxes of the City. As provided in Minnesota Statutes, Sections 475.61 and 475.74, the levy of such taxes, if required, shall not be subject to any statutory limitation of rate or amount.

Coverage Test; Pledge of Net Revenues; Excess Net Revenues. It is hereby found, determined and declared that the net revenues of the Facility are sufficient in amount to pay when due the principal of and interest on the Bond, the 2016C Bond and the 2016D Bond and a sum at least five percent in excess thereof, and the net revenues of the Facility are hereby pledged on a parity with the 2016C Bond and the 2016D Bond for the payment of the Bond and shall be applied for that purpose, but solely to the extent required to meet the

principal and interest requirements of the Bond as the same become due. Excess net revenues may be used for any proper purpose. Nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for the payment of other or additional obligations of the City and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on a parity with the pledge and appropriation herein. In addition, nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the Facility for any other governmental purposes and levying a tax for the payment of the Bonds.

General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bond, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the net revenues of the Facility appropriated and pledged to the payment of principal and interest on the Bond, together with other funds irrevocably appropriated to the Debt Service Account, shall at any time be insufficient to pay such principal and interest when due, the City covenants and agrees to levy, without limitation as to rate or amount, an ad valorem tax upon all taxable property in the City sufficient to pay such principal and interest as they become due. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bond, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

No Defeasance. So long as Government is the holder of the Bond, the City shall not, and hereby covenants not to, cause the Bond to be defeased by the deposit of moneys or investments sufficient to pay the Bond more than ninety days after the deposit of such moneys or investments.

Certificate of Registration. The Clerk is hereby directed to file a certified copy of this resolution with the County Auditor of Chippewa County, Minnesota and Yellow Medicine County, Minnesota, together with such other information as each such County Auditor shall require, and to obtain from each County Auditor a County Auditor's certificate that the Bond has been entered each respective County Auditor's Bond Register.

RD Loan Resolution. Each and all of the provisions of this resolution relating to the Bond are intended to be consistent with the provisions of the Loan Resolution (Form RD No. 1942-47) adopted by the City, and to the extent that any provision in the Loan Resolution is in conflict with this resolution as it relates to the Bond, that provision shall control and this resolution shall be deemed accordingly modified.

Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to RD, and to the attorneys approving the legality of the issuance of the Bond, certified copies of all proceedings and records of the City relating to the Bond and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bond as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Taxable Status of the Bonds. The City does not qualify the Bonds as tax-exempt under the Internal Revenue Code of 1986, as amended. It is hereby determined that the Bonds are to be issued as fully taxable obligations, and all interest received on the Bonds is to be included in the gross income of the Holder of any Bond for federal income taxation purposes and, to the same extent, in both gross income and taxable net income for state income taxation purposes.

Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member Schaub 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 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 \$600,000 General Obligation Taxable Nursing Home Revenue Bond of 2016E.

WITNESS my hand on October 3, 2016.

\_\_\_\_\_  
Clerk

With second by Schaub, the resolution was adopted unanimously.

AIRPORT: The following bids were received for repair of the Arrival/Departure Building roof which was damaged in the wind event in July.

L.A. Construction & Design, Inc.	\$7,410.00
Soine Construction, Inc.	\$8,069.74

Following discussion Nordaune introduce a resolution accepting the low bid received from L.A. Construction & Design, Inc. in the amount of \$7,410 to repair the roof.

RESOLUTION NO. 16-153

RESOLUTION ACCEPTING QUOTE  
FOR ROOF REPAIRS – GRANITE FALLS AIRPORT

WHEREAS, pursuant to Resolution No. 16-92 council declared Granite Falls in a State of Emergency for conditions resulting from the wind event of July 16, 2016; and

WHEREAS, the Arrival/Departure Building roof was damaged due to the strong winds that day; and

WHEREAS, the following two quotes were received to repair the roof of the Arrival/Departure Building:

L.A. Construction & Design, Inc.	\$7,410.00
Soine Construction, Inc.	\$8,069.74

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the quote from L.A. Construction & Design, Inc. in the amount of \$7,410 to repair the roof of the Arrival/Departure Building.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted unanimously.

GROUP HEALTH INSURANCE: Upon the recommendation of the Wage & Salary Committee Nordaune introduced the following resolution and moved its adoption authorizing the city to offer its employees a HSA Insurance Plan along with the present Group Health Insurance Plan.

RESOLUTION NO. 16-154

RESOLUTION AUTHORIZING THE CITY TO OFFER  
AN ADDITIONAL GROUP INSURANCE PLAN TO CITY EMPLOYEES

WHEREAS, the Wage and Salary Committee is recommending the city authorize offering city employees a HSA Insurance Plan along with the present Group Health Insurance Plan.



NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the city to offer an HSA plan along with the present Group Health Insurance Plan; and

BE IT FURTHER RESOLVED contributing the savings of the city's portion of premium paid into each individual HSA plan.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Peterson, the resolution was adopted unanimously.

LIBRARY LIGHTING: Peterson introduced the following resolution and moved its adoption approving the purchase of LED lamps for the Library Lighting Project in that amount of \$2,625.

RESOLUTION NO. 16-155

RESOLUTION AUTHORIZING PURCHASE OF  
LED LAMPS FOR THE LIBRARY

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the purchase of 10 – 4' EDA 40K tubes and 20-4' LED 50K tubes for the Library Lighting Project.

Adopted by the City Council this 3<sup>rd</sup> day of October, 2016.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted unanimously.

LEVEE: Council reviewed correspondence received from FEMA informing the city that the levee has now been fully accredited.

WWTP: Council reviewed an update received regarding the Wastewater Treatment Plant Improvements, Phase 1.

2016 STREET/UTILITY IMPROVEMENTS: Council reviewed an update received from City Engineer Mike Amborn regarding the 2016 Street and Utility Improvements.

VOLSTEAD HOUSE: Staff advised council that the repairs to the Volstead House roof and porch will be down in the spring.

RIFLE PROJECT: Council was advised that work on the Riffle Project will begin October 17<sup>th</sup> depending on river flows.

CHARITABLE GAMBLING: A gambling license application was acknowledged at this time for the Granite Falls Hoops Club to hold a raffle. This application was acknowledged with no waiting period.

ADJOURN: M/S/P NORDAUNE/SCHAUB to adjourn at 8:56 p.m.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

**BILLS PAID:**

Total 2XL CORPORATION:	121.47
Total ADVOCATE-TRIBUNE:	445.91
Total ALEX AIR APPARATUS:	315.00
Total ARNESON DISTRIBUTING INC.:	46.00
Total ARTIC GLACIER INC:	77.98
Total AUS, JOHN:	71.99
Total AUS, NANCY:	100.00
Total AUTOMATIC SYSTEMS CO:	1,079.48
Total BARR ENGINEERING CO.:	8,969.50
Total BEHAVIORAL FORENSIC SERVICES:	350.00
Total BEVERAGE WHOLESALERS:	56.00
Total BONNEMA SURVEYS:	539.50
Total BREAKTHRU BEVERAGE:	8,478.59
Total BROTHERS FIRE PROTECTION CO:	116.00
Total CENTURYLINK:	147.21
Total CHAPPELL CENTRAL:	687.73
Total CHIPPEWA COUNTY:	14,156.24
Total CITIZENS ALLIANCE BANK:	5,382.85
Total CNH CAPITAL:	147.75
Total COCARD:	86.89
Total COLLECTION BUREAU:	88.96
Total CROSBY, WARREN:	183.26
Total DAMON FABER ASSOCIATES:	23,516.24
Total FM DISTRIBUTING CO:	237.00
Total G & K SERVICES:	108.89
Total GALLS INC.:	155.05
Total GEISLINGER & SON'S INC:	69,420.71
Total GOPHER STATE ONE-CALL:	89.10
Total GRANITE FALLS BANK:	4,071.74

Total GRAYMONT CAPITAL INC:	4,018.06
Total HAWKINS INC:	1,057.55
Total HD SUPPLY WATERWORKS:	447.92
Total HDR INC:	3,400.00
Total HEARTLAND PAYMENT SYSTEMS:	90.35
Total HOERNEMANN, PAUL:	510.00
Total IRBY:	329.55
Total JESERITZ, TANYA:	362.50
Total JOHNSON BROS WHOLESALE LIQUOR:	7,712.18
Total JOHNSON, CRYSTAL:	116.64
Total KHC CONSTRUCTION INC:	75,440.90
Total KIESLER'S POLICE SUPPLY INC:	2,093.64
Total KKRC-FM:	595.00
Total KRANITZ, FRANK:	650.00
Total LIGHT FUND:	36,230.84
Total LINCOLN PIPESTONE RURAL WATER:	247.56
Total LOCHER BROTHERS:	8,803.35
Total MADISON BOTTLING CO.:	4,774.10
Total MAGUIRE IRON:	36,450.00
Total MARCO TECHNOLOGIES LLC:	130.62
Total MARTIN MARIETTA AGGREGATES:	3,081.71
Total MINNESOTA VALLEY TECH. INC:	185.40
Total MN DEPT OF REVENUE:	37,427.00
Total MN NCPERS-496000:	48.00

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Total MOSS & BARNETT:	1,286.00
Total MUNICIPAL EMERGENCY SERVICES:	475.10
Total MVTV:	398.70
Total NELSON INTERNATIONAL WILLMAR:	429.00
Total NORTHWESTERN POWER EQUIP CO INC:	10,055.10
Total OFFICE DEPOT:	167.13
Total OFFICE OF MN.IT SERVICES:	108.55
Total OFFICE PEEPS:	72.87
Total OLSON & JOHNSON INTERNATIONAL:	54.13
Total PAR PIPING & FABRICATION:	1,565.00
Total PETERSEN, JODI:	362.50
Total PHILLIPS WINE & SPIRITS CO.:	3,308.18
Total POST BOARD:	90.00
Total POSTMASTER:	400.00
Total PRAETORIAN DIGITAL:	2,625.00
Total PRENTICE PLACE COMMONS ASSN:	100.51
Total RECREATION SUPPLY COMPANY:	72.11
Total ROBERT L. CARR CO:	89,044.25
Total RODEBERG & BERRYMAN INC.:	10,270.66
Total SCHINDLER ELEVATOR CORP:	1,302.98
Total SENTRY SYSTEMS INC:	100.36
Total SHRED-IT USA:	40.44
Total SOUTHERN WINE & SPIRITS OF MN:	1,985.54
Total STANTEC CONSULTING SERVICES:	4,152.96
Total STREICH, LISA:	60.00
Total TIMM, DEREK:	2,312.50
Total UPS:	32.68
Total US BANK:	1,551.58
Total USA BLUEBOOK:	238.39
Total VANCO SERVICES:	34.50
Total VANOVERBEKE,JEFF:	46.99
Total VESSCO INC.:	807.07
Total VISA:	3,456.55
Total WATER CONSERVATION SERVICE INC:	1,111.00
Total WEST CENTRAL COMMUNICATIONS:	970.00
Total WESTMOR:	1,833.00
Total WILLMAR FORKLIFT INC:	135.00
Total XPRESS BILL PAY:	2,052.32
Total YELLOW MEDICINE CO. AUDITOR:	6,006.16

Total YELLOW MEDICINE EAST:	1,500.00
Total ZEP:	211.40
	<hr/>
Grand Totals:	514,440.62
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