

COUNCIL PROCEEDINGS

Tuesday, February 7, 2023

CALL TO ORDER

This meeting is officially called to order at 05:30 PM on February 7, 2023. This meeting is being presided over by Mayor Brian Holmer.

PLEDGE OF ALEGIANCE

ROLL CALL

The following Councilmembers were present: Holmer, Bourne, McCraw, Narverud, Pream, Aarestad, Lorenson and Bolduc. Mayor Holmer chaired the meeting.

PUBLIC FORUM

PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION ANNOUNCEMENTS

CONSENT AGENDA

RESOLUTION NO. 02.33.23: Approval of January 17, 2023 Council Proceedings

Presented as part of the Consent Agenda, Councilmember Scott Pream introduced Resolution No. 02-33-23, being seconded by Councilmember Steve Narverud, that:

THEREFORE, BE IT RESOLVED By the City Council, to approve the January 17, 2023 Council Proceedings.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 02.34.23: City of Thief River Falls Bills and Disbursements and Council Per Diems

Presented as part of the Consent Agenda, Councilmember Mike Lorenson introduced Resolution No. 02-34-23, being seconded by Councilmember Jason Aarestad, that:

THEREFORE, BE IT RESOLVED By the City Council, to authorize payment of bills and disbursements in the total amount of \$2,512,086.40 and council per diem in the amount of \$65.00. A printout of the approved payments, disbursements are attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

NEW BUSINESS

RESOLUTION NO. 02.35.23: Resolution Establishing Procedures Relating to Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code

Following discussion, Councilmember Scott Pream introduced Resolution No. 02-35-23, being seconded by Councilmember Steve Narverud, that:

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

1. Recitals.

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

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

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

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

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

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

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

(c) Care shall be taken so that the City, or its authorized

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

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

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

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

EXHIBIT A

Declaration of Official Intent

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

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

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

- Northwestern residential district street reconstruction Project (\$2,000,000)
- water meter project (\$1,500,000)

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$3,500,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in

Section 1.150-2(d)(3) of the Regulations.

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

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 02.36.23: Approve Analog Voice And Data Lines

Following discussion, Councilmember Mike Lorenson introduced Resolution No. 02-36-23, being seconded by Councilmember Michele McCraw, that:

WHEREAS, The City presently has analog phone lines with TDS. As of March 21, 2023, TDS is discontinuing our voice and data services.

WHEREAS,

- The City uses analog lines for:
 - Backup for credit card machines at the Liquor Store.
 - Elevators at the Ralph and Depot
 - Heritage Center's main phone and fax line
 - Administration fax line
 - Fire Line at the Fire Department.
- Garden Valley is our telephone provider for our other phone lines.

THEREFORE, BE IT RESOLVED Approval for the City of Thief River Falls to move eight analog lines to Garden Valley.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 02.37.23: Approve Restricted Fund Balance Reserve

Following discussion, Councilmember Jason Aarestad introduced Resolution No. 02-37-23, being seconded by Councilmember Anthony Bolduc, that:

WHEREAS, The City of Thief River Falls established a Fire Escrow account on April 16, 2019, Resolution Number 4-88-19 pursuant to Minn. Stat. 65A.50.

WHEREAS, The insurance proceeds received by the City are used as security to ensure that the fire damaged property is repaired, replaced, removed, or demolished and brought into compliance with city ordinances. The City will follow the Minnesota statute rules and the League of Minnesota Cities information memo regarding these types of accounts.

THEREFORE, BE IT RESOLVED Authorize the City Administrator to transfer \$10,991.07 into a restricted fund balance reserve for Fire Escrow dollars in 2023.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 02.38.23: Approval to have step increases approved by department heads for employees or committee chair for department heads

Following discussion, Councilmember Jason Aarestad introduced Resolution No. 02-38-23, being seconded by Councilmember Scott Pream, that:

WHEREAS, Resolution No. 12-263-22 approved the MOU's for implementation of the wage study done by David Drown and Associates. As part of the implementation process, all employees including department heads are on an 8-step pay grid so this would result in a lot more requests for step increases going to council if continuing in the current process.

THEREFORE, BE IT RESOLVED To approve the request to have step increases signed off on by department heads or committee chair, so that each step doesn't need to go to council for approval. This will be retro to January 1, 2023, and going forward. A monthly report will be given to the committees to review upcoming step increases in case any need to be discussed before approval.

On vote being taken, the resolution was unanimously passed.

COUNCIL BOARDS AND COMMISSIONS REPORTS

UPCOMING MEETINGS

- Committee of Whole - February 7th Immediately following Council Meeting.
- Utilities Committee - February 13th at 7:00 a.m.
- Public Safety/Liquor Committee - February 13th at 4:30 p.m.
- Administrative Services Committee - February 14th at 4:30 p.m. Room 201 City Hall
- Public Works Committee - February 15th at 4:30 p.m.

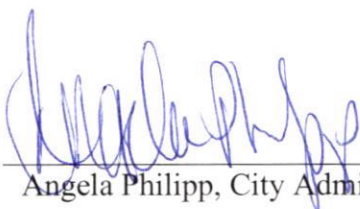
INFORMATIONAL ITEMS

- Councilmember Mike Lorenson reminded community members to help remove snow around fire hydrants. They home they save may be their own.
- Mayor Holmer gave an update on 420 Davies property has been cleaned up.

ADJOURNMENT

There being no further discussion, Councilmember Jason Aarestad, being seconded by Councilmember Mike Lorenson to adjourn at 5:37 p.m. On vote being taken, the Chair declared the motion unanimously carried.

Attest:


Angela Philipp, City Administrator
Brian D. Holmer, Mayor