

February 11, 2020

The regular meeting of the City Council of the City of Sleepy Eye was held in the Council Chambers, 200 Main Street East, Sleepy Eye, MN at 7:00 p.m. on the 11th day of February 2020 per due call and notice. Mayor Wayne Pelzel and Councilors Nathan Stevermer, Douglas Pelzel, Joann Schmidt, Larry Braun and Gary Windschitl were present. Also, present were City Manager Bob Elston, City Attorney Alissa Groen, Public Works Director Mike Hardin, Police Chief Matt Andres, EDA Director Kurk Kramer and City Clerk Michelle Strate.

Councilor Pelzel moved to approve the minutes of the January 14, 2020 regular meeting. Councilor Windschitl seconded the motion and the motion carried.

Mayor Pelzel appointed Toby Arneson and Lenny Neid to the Airport Board. Motion to approve was made by Councilor Schmidt. Councilor Pelzel seconded the motion and the motion carried.

George Eilertson with Northland Securities was present to discuss the Bond Refinancing. The City would refinance 4 bonds and the savings would be approximately \$593,000.00. Current interest is 3 – 3.5% and would decrease to approximately 2% through the refinance. Councilor Windschitl made a motion to Adopt Resolution 3-2020.

RESOLUTION 3-2020

RESOLUTION APPROVING THE ISSUANCE OF

GENERAL OBLIGATION REFUNDING BONDS,

SERIES 2020A

BE IT RESOLVED by the City Council of the City of Sleepy Eye, State of Minnesota (herein, the “City”), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation refunding bonds in the total aggregate principal amount not to exceed \$6,500,000 (herein, the “Bonds”). The proceeds of the Bonds will be used, together with any additional funds of the City which might be required for (i) a current refunding of all or a portion of the January 15, 2021 through 2037 maturities, aggregating up to \$3,150,000 in principal amount, of the City’s General Obligation Hospital Revenue Refunding Bonds, Series 2012A, dated April 1, 2012 as date of original issue, (ii) a current refunding of all or a portion of the December 1, 2020 through 2027 maturities, aggregating up to \$1,545,000 in principal amount, of the City’s General Obligation Improvement Bonds, Series 2012B, dated July 1, 2012 as date of original issue, (iii) a current refunding of all or a portion of the February 1, 2021 through 2040 maturities, aggregating up to \$1,190,000 in principal amount, of the City’s General Obligation Improvement Bonds, Series 2012C, dated October 1, 2012 as date of original issue, (iv) a current refunding of all or a portion of the February 1, 2021 through 2040 maturities, aggregating up to \$320,000 in principal amount, of the City’s General Obligation Improvement and Refunding Bonds, Series 2012D, dated November 1, 2012 as date of original issue, and (v) to pay the costs associated with issuing the Bonds.

2. The City Council desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc. ("NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the City.
3. The Mayor and the City Manager are hereby authorized to approve the sale of the Bonds in an aggregate principal amount not to exceed \$6,500,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the total savings is at least \$500,000.
4. Upon approval of the sale of the Bonds by the Mayor and the City Manager, the City Council will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and City Manager have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by July 31, 2020, this resolution shall expire.

The motion for the adoption of the foregoing resolution was duly seconded by Council member Pelzel, and upon vote being taken thereon, the following voted in favor thereof: Windschitl, Stevermer, Pelzel, Schmidt, and Braun.

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

/s/Wayne Pelzel

Wayne Pelzel, Mayor

ATTEST:

/s/Bob Elston

Bob Elston, City Manager

Motion was seconded by Councilor Pelzel and motion carried.

Councilor Stevermer made a motion to approve Resolution 4-2020

RESOLUTION 4-2020

RESOLUTION ESTABLISHING DEBT MANAGEMENT POLICY

WHEREAS, debt management is an integral part of financial management of the City; and

WHEREAS, debt is a mechanism which is necessary to ensure capital improvements proceed and city infrastructure and equipment are properly maintained; and

WHEREAS, specific provisions and guidelines are necessary to facilitate and manage debt resources; and

WHEREAS, the City Council has determined it necessary to adopt a formal policy with guidelines on how it manages and facilitates debt;

NOW, THEREFORE BE IT RESOLVED THAT the City of Sleepy Eye does hereby approve the Debt Management Policy as identified in Exhibit A.

PASSED AND ADOPTED by the City Council of the City of Sleepy Eye, Minnesota this 11th day of February, 2020.

/s/Wayne Pelzel
Wayne Pelzel, Mayor

ATTEST:

/s/Bob Elston
Bob Elston, City Manager
Motion was seconded by Councilor Braun, and motion carried.

Councilor Pelzel made a motion to approve Resolution 5-2020.

RESOLUTION 5-2020
Authorizing updated signatory on investment account

WHEREAS, the City Council appointed Russell Elston to fill the position of City Manager on August 28, 2019.

WHEREAS, the City Council in the meeting dated January 14, 2020 granted permission for the City Manager and City Clerk to invest City Funds, and

WHEREAS, The City Manager is not currently a signatory on an investment account with CCF Bank

NOW THEREFORE BE IT RESOLVED, that the City Council approves and requests the adding of Russell Elston, City Manager, as signatory to any and all investment accounts with CCF bank.

Dated February 11, 2020

/s/Wayne Pelzel
Wayne Pelzel, Mayor

ATTEST: /s/Michelle Strate
Michelle Strate, City Clerk
Motion was seconded by Councilor Schmidt and motion carried.

Councilor Schmidt made a motion to approve Resolution 6-2020.

RESOLUTION 6-2020

RESOLUTION AUTHORIZING GOVERNMENTAL
UNIT TO BE A PARTY TO MINNESOTA WATER AGENCY RESPONSE NETWORK
(MnWARN)

WHEREAS, Minnesota Statutes, Section 471.59 authorizes governmental units by agreement of their governing bodies to jointly or cooperatively exercise any power common to them;

WHEREAS, MnWARN has been established by the adoption of a Mutual Aid Agreement (the Agreement) among Governmental Units to allow their water, wastewater and storm water utilities to assist each other in case of an emergency;

WHEREAS, the Agreement allows other governmental units to become a party to the Agreement by the adoption of this Resolution and sending notice to the Secretary of the Statewide Committee for MnWARN; and

WHEREAS, the governing body of the City of Sleepy Eye considers it to be in the best interest of the City to be a party to the Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the City Council:

1. Authorizes the Mayor and Clerk-Administrator-Treasurer to sign this resolution evidencing the intent of the City of Sleepy Eye to be a party to MnWARN; and
2. Clerk-Administrator-Treasurer is directed to send a certified copy of this resolution and a completed membership information form to the Secretary of the Statewide Committee of MnWARN; and
3. Sleepy Eye agrees to comply with all terms of the Agreement.

IN WITNESS WHEREOF, The City of Sleepy Eye by action of its governing body caused this Resolution to be approved on February 11, 2020

By: _____
Its Mayor

And: _____
Its Clerk-Administrator-Treasurer

Councilor Braun seconded the motion and the motion carried.

Councilor Stevermer made a motion not to object to gambling permit to Knights of Columbus. Motion was seconded by Councilor Windschitl and motion carried.

Councilor Stevermer made a motion to approve a temporary one-day liquor license to St. Mary's Dinner Theater. Motion was seconded by Councilor Windschitl and motion carried.

Councilor Pelzel made a motion to approve a permit to sell goods on a public street to TNT Eats. Motion was seconded by Councilor Stevermer and motion carried.

City Attorney Groen reported on the following:

- A. Councilor Stevermer called for Second Reading of the Ordinance #165 An Ordinance Amending City Code Section 3-6, "Tobacco Sale and Usage by Minors". Motion was seconded by Councilor Schmidt and motion carried.
- B. Nuvera Agreement. Has been tabled until next meeting.
- C. Councilor Schmidt made a motion to approve the DEED Grant Agreement. Councilor Windschitl seconded the motion and motion carried.
- D. Verizon Lease. Verizon will be allotted a 50x50 area by the City Garage. Councilor Pelzel made a motion to accept the Lease. Councilor Schmidt seconded the motion and the motion carried.
- E. Perfect Minds Agreement. Councilor Schmidt made a motion to approve the agreement with changes that Attorney Groen recommends. Motion was not seconded and motion failed.
- F. Attorney Groen gave an update on Blight Timelines. She indicated the amount of time that it takes between first citation and first appearance in court can be approximately 3-4 months.

City Engineer David Palm reported on the following:

- A. 12th Avenue Project. Bids are due February 25th. The County is the sponsor and will be receiving the bids.
- B. 2020 Project. Bids are due March 3rd and the City will be receiving the bids.

Miscellaneous correspondence was included in agenda packets

Chief Andres reported that a new officer has been hired and will be starting on March 2, 2020.

Councilor Windschitl made a motion to approve the Police Report and Cash Fund Balances. Councilor Pelzel seconded the motion and the motion carried.

Councilor Braun moved to approve and allow payment of the monthly bills. Councilor Schmidt seconded the motion and the motion carried.

There was no other business.

The meeting was properly adjourned at 8:06 p.m.

Wayne Pelzel, Mayor

Michelle Strate, City Clerk