

City of Long Prairie
Council Meeting
7:00 P.M., Monday, January 5, 2015

The Long Prairie City Council met in regular session at City Hall, 7:00 p.m., Monday, January 5, 2015. Mayor Don Rasmussen called the meeting to order with the following present: Council members, Lilah Gripne, Tony Towle, Art Rowan, Devin Hines, and City Administrator/Clerk Brenda Thomes.

Councilor Towle motioned Gripne seconded to approve the council minutes of December 15, 2014. Motion unanimously carried.

Mayor and council appointments as follows:

- Public Works - Councilor Devin Hines
- Public Safety - Councilor Art Rowan
- Liquor Store, Health & Library, Park & Rec - Councilor Tony Towle
- Planning & Zoning, & EDA - Lilah Gripne
- Administration, Community Concern for Youth, Airport, & Tourism - Mayor Don Rasmussen

Councilor Towle motioned Rowan seconded to appoint Lilah Gripne as acting Mayor. Motion unanimously carried.

Councilor Rowan motioned Rasmussen seconded to appoint the Long Prairie Leader as the official newspaper. Motion unanimously carried.

Councilor Gripne motioned Towle seconded to approve the following as official depositories:

- American Heritage National Bank
- MN National Bank
- Mid Central Savings Bank
- Central MN Federal Credit Union
- and any other financially sound institutions which are in compliance with Minnesota Statutes governing city depositories as official depositories

Motion unanimously carried.

Council tabled the appointment of city auditor and city attorney at this time. Their yearly payments will be submitted within the next week.

Councilor Rowan motioned Gripne seconded to appoint Brown & Krueger as City Attorney. Motion unanimously carried.

Councilor Rowan asked if we've received the report back from the water pilot program. At this time, we have not received the report from our Engineer's Bolton & Menk.

Council moved the January 19th council meeting to January 20th due to the Martin Luther King Holiday.

Councilor Rowan motioned Gripne seconded to approve the increase in PERA contributions. Motion unanimously carried.

Council discussed the following resolution:

RESOLUTION #15-01-05-01
RESOLUTION TO INCLUDE BOARD MEMBERS UNDER THE CITY'S WORKERS'
COMPENSATION COVERAGE

WHEREAS, the Long Prairie City Council wishes to provide worker's compensation coverage to various board members serving on behalf of the city.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF LONG PRAIRIE, MINNESOTA THAT: Pursuant to Minnesota Statutes 176.011, subd. 9, clause 6 - the Minnesota Workers' Compensation Act - the members of the following boards, commissions, and committees are to be included in the city's worker's compensation coverage:

- Members of the City Council
- Members of the Planning and Zoning Commission
- Members of the Park Board
- Members of the Airport Commission
- Members of the Economic Development Authority

Adopted this 20th day of January, 2015, by the City Council of the City of Long Prairie.

Brenda Thomes
City Administrator/Clerk

Don Rasmussen
Mayor

Councilor Rowan motioned Towle seconded to approve Resolution #15-01-05-01. Motion unanimously carried.

Councilor Gripne motioned Hines seconded to approve the response policy for city employees who are also fire fighters. Motion unanimously carried.

Councilor Rowan motioned Gripne seconded to table Region 5 Innovation Funding Agreement until Tim Churchwell has the opportunity to review the agreement. Motion unanimously carried.

Councilor Gripne motioned seconded Towle to go forward with the 2015 purchase of the John Deere 5075E Cab Utility Tractor in the amount of \$40,500. With the trade in value the balance comes down to \$37,300. Roll call: Yes; Rowan, Gripne, Rasmussen, Hines, Towle. Motion unanimously carried.

Council discussed the following resolution:

RESOLUTION #1-5-15-02

RESOLUTION ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council (the "Council") of the City of Long Prairie, 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 the City's 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 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 expenditure out of the proceeds of subsequently issued

bonds. The Council hereby authorized the City 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 does not reasonably expect to issue reimbursement bonds 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 Allocation. 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 the Resolution shall apply and govern.

Adopted this 20th day of January, 2015, by the City Council.

Don Rasmussen - Mayor
City of Long Prairie, Minnesota

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting City Administrator of the City of Long Prairie, 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 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:

Projects associated within the year 2015

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 by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$ to be determined 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.

Date: January 20, 2015

City Administrator/Clerk
City of Long Prairie, Minnesota

CERTIFICATION

The undersigned, being the duly qualified and acting City Administrator of the City of Long Prairie, Minnesota, hereby certifies the following:

The foregoing is a true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a regular or special meeting of the Council held on January 20, 2015. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Council are regularly held. Council Member Gripne moved the adoption of the Resolution, which motion was seconded by Council Member Towel. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution: Mayor Rasmussen, Councilors Gripne, Towle, Rowan, and Hines.

and the following voted against the same: none

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Council which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the City Administrator of the City of Long Prairie, Minnesota, this 20th day of January, 2015.

City Administrator/Clerk
City of Long Prairie, Minnesota

Councilor Gripne motioned Towle seconded to approve Resolution #1-5-15-02. Motion unanimously carried.

Council discussed the pilot testing that Councilor Rowan had mentioned earlier.

Councilor Gripne stated there was very little discussed at the EDA meeting.

Mayor Rasmussen stated the fuel prices at the Airport have been decreasing. Alexandria Airport is at \$5.60, Sauk Centre Airport is at \$5.10, and Long Prairie is still at \$4.75.

Fire Chief Jim Kreemer stated that on January 24, 2015, there will be a benefit for Johnny Saarela at the VFW.

Councilor Gripne motioned Towle seconded to adjourn. Motion unanimously carried. Meeting adjourned at 7:50 p.m.

Brenda Thomes
City Administrator/Clerk

Don Rasmussen
Mayor