

**COUNCIL PROCEEDINGS**

**October 24, 2006**

The City Council of Thief River Falls, Minnesota, met in regular session at 5:00 p.m., on October 24, 2006 in the Council Chambers of City Hall. The following Councilmembers were present: Blacklance, Cullen, Holten, Kajewski, Schmalz, Worker, and Acting Mayor Carlson. No Councilmembers were absent. Acting Mayor Carlson chaired the meeting.

**APPROVAL OF COUNCIL PROCEEDINGS**

The City Council reviewed the October 10, 2006 Council Proceedings. Following discussion, Councilmember Cullen moved, being seconded by Councilmember Worker, to approve the October 10, 2006 Council Proceedings as presented. On vote being taken, the Chairman declared the motion unanimously carried.

**RESOLUTION NO. 10-204-06: APPROVAL OF PAYMENT OF BILLS**

Councilmembers Kajewski and Worker indicated they reviewed the bills prior to the meeting. Following discussion, Councilmember Worker introduced Resolution No. 10-204-06, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to authorize payment of the second half of October bills in the amount of \$691,921.42 and the October 2 - 20, 2006 prepayments in the amount of \$1,172,433.20. A printout of the bills approved for payment is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 10-205-06: APPROVAL OF ELECTION JUDGES FOR 2006 GENERAL ELECTION**

An Administrative Services Committee recommendation was presented. Following discussion, Councilmember Blacklance introduced Resolution No. 10-205-06, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City to accept an Administrative Services Committee recommendation to appoint the following persons as election judges for the November 7, 2006 General Election:

WARD ONE

Lillian Richards                      Barb Storm  
Mary Dupree                              LeAnn Engelstad  
James Matson                            Snooki Bondy  
Val Johnson

WARD TWO

Pauline Aubol                            Marlene Beedy  
Leah Thompson                          Myrna Giaugue  
Judith Habedank                        Kay Melvie-Tesch

WARD THREE

Opal Dargus                              Lisa LeClaire  
Joyce Bulger                              Junelle Hoffer  
Vivian Brekke                            Rosemary DeMeyere

WARD FOUR

Melba Laidley                            Myrtle Lee  
Audrey Hermanson                      Mary Holmes  
Linda Ramsey                            Dorene Enge

WARD FIVE

Donna Koehmstedt                      Bev Maslowski  
Paulette Odette                          Judith Reger  
Olive Goldsberry                        Esther Mattson  
Karen Bjerken                            Louise McLean

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 10-206-06: APPROVAL OF BP AMOCO TOBACCO LICENSE TRANSFER TO JDM INCORPORATED**

An Administrative Services Committee recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 10-206-06, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City Council, to accept the Administrative Services Committee's recommendation to authorize the transfer of the tobacco license at BP Amoco, 1580 Highway 59 SE, to JDM, Incorporated, effective immediately.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 10-207-06: APPROVAL OF REVISION TO AGREEMENT WITH TIM AND SCOTT BERGLAND**

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 10-207-06, being seconded by Councilmember Blacklance, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to amend the agreement with Tim and Scott Bergland at the Ralph Engelstad Arena with regard to the skate sharpening revenues.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 10-208-06: ADOPTION OF 2006 STREET AND UTILITIES IMPROVEMENT PROJECT ASSESSMENT ROLL**

Ron Lindberg, Public Works Director, presented the proposed 2006 Street and Utilities Improvement Project Assessment Roll. Following discussion, Councilmember Schmalz introduced Resolution No. 10-208-05, being seconded by Councilmember Worker, that:

WHEREAS, pursuant to proper notice duly given as required by law, the City Council conducted a public hearing on October 18, 2006 for the 2006 Street and Utilities Improvement Project assessment roll.

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

- 1) Such proposed assessments, as amended, a copy of which is on file in the Office of the City Administrator are hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it;
- 2) Such assessment shall be payable in equal annual installments extending over a period of 12 years, the first of the installments to be payable on or before the first Monday in January, 2007 and shall bear interest at the rate of five and one-half percent (5 ½ %) per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2007. To each subsequent installment when due shall be added interest for one year on all unpaid installments;
- 3) The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and may, at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31<sup>st</sup> of the next succeeding year; and,
- 4) The City Administrator shall forthwith transmit a certified duplication of this assessment to the county auditor to be extended on the property tax lists of the county. Such assessment shall be collected and paid over the same manner as other municipal taxes.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 10-209-06: RESOLUTION GIVING APPROVAL TO NORTHWEST MINNESOTA MULTI-COUNTY HOUSING AND REDEVELOPMENT AUTHORITY TO ISSUE REFUNDING BONDS WITH RESPECT TO MULTI-FAMILY RENTAL HOUSING FACILITIES IN THE CITY OF THIEF RIVER**

**FALLS AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SETTLEMENT TERMINATION AND AN OPTION TO PURCHASE**

The City Council reviewed updated information with regard to Resolution No. 10-198-06 which approved the refunding of bonds in connection with the Northwest Minnesota Multi-County Housing and Redevelopment Authority and the Multi-Family Rental Housing facilities in the City. Following discussion, Councilmember Blacklance introduced Resolution No. 10-209-06, being seconded by Councilmember Worker, that:

WHEREAS, the Northwest Minnesota Multi-County Housing and Redevelopment Authority (the "NMCHRA") has been established pursuant to Minnesota Statutes, Section 469.004 as the multi-county housing and redevelopment authority for the counties of Polk, Kittson, Norman, Marshall, Red Lake, Pennington and Roseau, Minnesota, which area of operation includes the City of Thief River Falls (the "City"); and

WHEREAS, pursuant to Minnesota Statutes, Chapter 462C and Sections 469.001 to 469.047 (together the "Act"), the NMCHRA is authorized to adopt a housing plan and carry out programs for the financing of multi-family housing including housing development projects; and

WHEREAS, the NMCHRA adopted a housing finance program (the "Program") for the financing of one or more housing development projects (the "Project"), located in the City, as more fully described in Exhibit A attached hereto, following public hearings thereon on March 22 and 29, 1995; and

WHEREAS, pursuant to the Act the City is authorized to assist the Project; and

WHEREAS, to provide additional security for the operation of the Project and the payment of the bonds of the NMCHRA (the "1995 Bonds") from the revenues of the Project the City entered into an Operating Deficit Agreement with NMCHRA (the "Operating Deficit Agreement"); and

WHEREAS, with respect to a default on the Operating Deficit Agreement, the City entered into a settlement agreement with Franklin High Yield Tax-Free Income Fund, a series of the Franklin Tax-Free Trust, a Massachusetts trust (the "Prior Bondholder"), the trustee with respect to the 1995 Bonds (the "Trustee"), and the NMCHRA (the "Franklin Settlement Agreement"), which, among other things, terminated the Operating Deficit Agreement; and

WHEREAS, the NMCHRA has proposed to issue its refunding bonds (the "2006 Bonds") to redeem the 1995 Bonds and refinance the Project; and

WHEREAS, in connection with the issuance of the 2006 Bonds the NMCHRA has proposed, and the NMCHRA requests that the City agree to terminate the Franklin Settlement Agreement, subject to the approval of the Trustee; and

WHEREAS, in order to provide the City an option to purchase the Project under certain conditions, the City has required that the NMCHRA enter into an Option to Purchase (the "Option to Purchase") with the City, the substantially final form of which is now on file with the City; and

WHEREAS, upon the completion of the transactions contemplated in this Resolution, the City would have no obligation of any nature arising from the 1995 Bonds, including, but not limited to, any accumulated operating deficits, except the 2006 payment required by the Franklin Settlement Agreement and, in addition, the City will incur no obligation or liability with respect to the issuance of the 2006 refunding bonds by the Northwest Minnesota Multi-County Housing and Redevelopment Authority;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Thief River Falls, Minnesota:

1. In order to serve the housing needs of the City, the City Council of the City hereby affirms its determination and declaration that there is a need for the NMCHRA to exercise its powers in the City and approves the issuance by the NMCHRA of its 2006 Bonds to redeem the 1995 Bonds and refinance the Project.

2. The City will cooperate with and assist the NMCHRA in the preparation of any necessary submissions, applications or approvals required or necessary to successfully undertake the redemption of the 1995 Bonds.

3. The City hereby approves the termination of the Franklin Settlement Agreement and authorizes the execution and delivery of such agreements, documents or certifications as may be determined to be necessary by Best & Flanagan LLP, the bond counsel for the 2006 Bonds, or the Trustee's counsel, to evidence such termination.

4. The City hereby approves the execution and delivery of the Option to Purchase by the Mayor of the City, or by any other City Official on behalf of the City.

On vote being taken, the resolution was unanimously passed.

#### **MATTER OF MISCELLANEOUS RATE AND FEE CHANGES – REFERRED BACK TO COMMITTEES**

The City Council reviewed a listing of proposed changes to several rates and fees charged by the City. Following discussion, Councilmember Schmalz moved, being seconded by Councilmember Kajewski, to approve the proposed changes. Following further discussion by the City Council, Councilmembers Schmalz and Kajewski withdrew their motion and requested that this matter be referred back to the committees for review. On vote being taken, the Chairman declared the motion unanimously carried.

#### **RESOLUTION NO. 10-210-06: APPROVAL OF INCREASE OF FEE FOR SNOW REMOVAL AGREEMENTS**

The City Council reviewed the fee being charged for the removal of snow piles created from businesses clearing their parking areas. Following discussion, Councilmember Schmalz introduced Resolution No. 10-210-06, being seconded by Councilmember Kajewski, that:

WHEREAS, the Public Works Division executes agreements with property owners to remove snow piles created by the clearing of parking lots for a fee of \$18 per truckload; and,

WHEREAS, the cost of snow removal has increased due to higher fuel and personnel costs.

THEREFORE, BE IT RESOLVED, by the City Council, to increase the fee for snow pile removal from \$18.00 to \$19.00 per truckload, effective immediately.

On vote being taken, the resolution was unanimously passed.

#### **RESOLUTION NO. 10-211-06: APPROVAL NOT TO WAIVE THE MONETARY LIMIT OF MUNICIPAL TORT LIABILITY ESTABLISHED BY MN STATUTE**

Mark Thune, Thune Insurance Network, indicated that the City of Thief River Falls, because it obtains its liability coverage from the League of Minnesota Cities Insurance Trust, must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased. Following discussion, Councilmember Worker introduced Resolution No. 10-211-06, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to indicate to the League of Minnesota Cities Insurance Trust that the City of Thief River Falls does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04 and authorizes the City Administrator to execute any and all documents relating to the action.

On vote being taken, the resolution was unanimously passed.

#### **MINNESOTA MANUFACTURER'S WEEK PROCLAMATION**

The Council reviewed a proposed proclamation. Following discussion, Councilmember Cullen moved, being seconded by Councilmember Kajewski, to proclaim October 23-27, 2006 as "Minnesota Manufacturer's Week" in Thief River Falls. On vote being taken, the Chairman declared the motion unanimously carried.

#### **ITEMS FOR INFORMATION**

- 1) The City Council congratulates the Prowler Girls High School Swim Team for qualifying for, and competing in, the MN State True Team Swim meet, representing Section 8A.
- 2) The City Council congratulates the Prowler Girls High School Tennis Team for qualifying for the Minnesota State High School Tennis Tournament, representing Section 8AA.

**ADJOURNMENT**

There being no further discussion, Councilmember Kajewski moved, being seconded by Councilmember Cullen, to adjourn the meeting at 5:40 p.m. On vote being taken, the Chairman declared the motion unanimously carried and the meeting adjourned until 7 p.m. for an Airport Master Plan informational meeting.

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David B. Carlson, Acting-Mayor

Attest: \_\_\_\_\_  
Jodie R. Torkelson, City Administrator