

City Council Meeting
Regular Meeting
City of Tower
October 10, 2017
Monday @ 5:30PM
City Council Chambers

The regular meeting of the Tower City Council was called to order by Acting Mayor Lance Dougherty.

Present: Anderson, Dougherty, and Fitton
Absent: Carlson and Matich
Also Present: L Keith

Visitors: Jason Chopp, Matt Bolf, Tony Sikora, Orlyn Kringstad, Dave Rose, Steve Altenburg, and Marshall Helmberger

A motion was made by Anderson and supported by Fitton to accept the agenda with the following amendments 5.1 Wolf Track Classic Notice, 8.2 Planning and Zoning Recommendation regarding Dave Rose RV Park, 8.4 Supplemental Harbor Agreement to SEH Master Agreement, 8.10 Hiring EMR H Gilbert, 8.11 Ambulance Donation Acceptance Resolution, and 8.12 Fire Department Acceptance Resolution. The motion carried unanimously.

Correspondence:

A motion was made by Fitton and supported by Dougherty to table any decision on the correspondence from Breitung Township regarding a joint fire department. The motion carried unanimously.

Mayor Carlson steps in at 5:50PM.

A motion was made by Dougherty and supported by Fitton to accept the reports from officers, commissions, and committees as presented. The motion carried unanimously.

A motion was made by Dougherty and supported by Anderson to accept the quote from Vermilion Painting in the amount of \$4,900.00 for the interior painting of the Tower Civic Center. The motion carried unanimously.

A motion was made by Fitton and supported by Anderson to accept planning and zoning's recommendation to set the maximum site count for Dave Rose's RV Park at 20 sites. The motion carried unanimously. .

A motion was made by Fitton and supported by Anderson to resolve that **WHEREAS**, the City of Tower has been working with St. Louis County and the community to improve safety and infrastructure on the local roadway network through improvements to Pine Street; and, **WHEREAS**, the Local Road Improvement Project (LRIP) has been established through Statute 174.52 to provide funding assistance to local municipalities; and, **WHEREAS**, implementation of Pine Street improvements will have a positive local and regional impact to the area, County, and the US Highway System; and, **WHEREAS**, the City has developed concepts and improvement ideas that can be supported by the City and County; and, **WHEREAS**, the City will enter into an agreement with St. Louis County to act as the fiscal agent for the LRIP funds for the City. **NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TOWER, MINNESOTA:**

1. That the Tower City Council hereby supports the application for the Local Road Improvement Program Grant for Pine Street improvements.
2. That the Mayor and City Clerk are authorized to sign and submit said application and all applicable contracts or agreements on behalf of the City of Tower.

The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to authorize the City Clerk Treasurer to sign the updated SEH supplemental agreement. The motion carried unanimously.

A motion was made by Anderson and supported by Dougherty to deny the request to move the airport hangar road to accommodate a larger hangar in site eight. The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to resolve that **Whereas**, it is agreed and understood that Minnesota's water quality to protect wild rice is antiquated and must be repealed; **Whereas**, the Minnesota Pollution Control Agency (MPCA) has drafted a proposed revised water quality standard and is accepting comments on their proposal; **Whereas**, industries and cities across our region will be subject to the MPCA rule if it is adopted; **Whereas**, compliance with the proposed rule at any of the taconite facilities in Northeastern Minnesota could cost millions of dollars in capital expenditures and ongoing costs; **Whereas**, the MPCA has acknowledged that they are uncertain whether wild rice abundance will increase or sustain in Northeastern Minnesota, **Whereas**, the MPCA acknowledges that there are multiple factors including sulfide that impact wild rice but they have chosen not to evaluate any of the other factors; **Whereas**, the MPCA is proceeding with rule making and enforcement despite clear legislative direction to wait until May 2018 when they are able to analyze their completed wild rice sulfate standard report; **Whereas**, the proposed MPCA rule will have devastating impacts on cities, industries, and all of the communities of Northeast Minnesota; **Now therefore be it resolved** the City Council of the City of Tower, Minnesota does hereby adopt this resolution and proclaiming to the MPCA that their proposed rule has the potential to impact our City, our neighboring communities, and our important industries and way of life; **Further Resolved**, the

MPCA should immediately suspend its rulemaking process until after May 2018 and it completes its analysis of the wild rice sulfate standard and can include the results of that analysis in the rulemaking documents available for public comment; **Further Resolved**, that the Governor of the State of Minnesota and the Minnesota State Legislature must take action to stop the MPCA rulemaking until our state elected officials determine whether requiring Cities and industry to spend billions of dollars on wastewater treatment infrastructure and operations to provide protection to a small percentage of rice beds in Minnesota is an appropriate action for the State of Minnesota to take in light of the devastating impacts on our communities; **Further Resolved**, that wild rice is an important resource in Northeastern Minnesota and the State of Minnesota should replace the MPCA proposal with a more effective and economically sensible program to promote healthy wild rice in Minnesota. The motion carried unanimously.

A motion was made by Carlson and supported by Fitton to authorize Tower Harbor Shores to make interest only payments until June 1, 2018 on their economic development loan obtained from TEDA. The motion carried unanimously.

A motion was made by Fitton and supported by Dougherty to authorize the Clerk Treasurer to sign a letter of intent with Dougherty Financial for the Hoodoo Point Sewer Project. The motion carried unanimously.

A motion was made by Anderson and supported by Fitton to resolve that WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of a tax exempt bond used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Tower, Minnesota (the "CITY"), expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of the tax exempt bond;

WHEREAS, the CITY has determined to make this declaration of official intent (the "Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF TOWER, MINNESOTA, AS FOLLOWS:

1. The CITY proposes to undertake the development of the Hoodoo Point Sewer Upgrade Project (the "Project").

2. The CITY reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$600,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d) (3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds;

(b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or
(c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the CITY to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, developer representative fees, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the CITY based on the facts and circumstances known to the CITY as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the CITY's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the CITY are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the CITY's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.
The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to hire Hunter Gilbert as an emergency medical responder with the Tower Fire Department pending successful completion of his criminal background check. The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to resolve that **Whereas**, the City of Tower is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of the Tower Area Ambulance Service pursuant to Minnesota Statutes 471.17; and **Whereas**, Bois Forte Tribal Reservation, has contributed a gift of \$2,000.00 (two thousand dollars and no cents); and **Whereas**, no goods or services were provided in exchange for said donation; and **Whereas**, all such donations and gifts in kind have been contributed to assist the Tower Area Ambulance Service; and **Now therefore be it resolved** the City Council of the City of Tower, Minnesota does hereby adopt this resolution and accept the gift from Bois Forte Tribal Reservation. The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to resolve that **Whereas**, the City of Tower is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of the Tower Fire Department pursuant to Minnesota Statutes 471.17; and **Whereas**, Bois Forte Tribal Reservation, has contributed a gift of \$7,500.00 (seven thousand five hundred dollars and no cents); and **Whereas**, no goods or services were provided in exchange for

said donation; and **Whereas**, all such donations and gifts in kind have been contributed to assist the Tower Fire Department; and **Now therefore be it resolved** the City Council of the City of Tower, Minnesota does hereby adopt this resolution and accept the gift from Bois Forte Tribal Reservation. The motion carried unanimously.

A motion was made by Dougherty and supported by Fitton to pay all bills. The motion carried unanimously.

A motion was made by Anderson and supported by Fitton to adjourn. Time out was 7:30PM.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Linda K Keith".

Linda K Keith
City Clerk Treasurer