

City Council Meeting
Regular Meeting
City of Tower
September 13, 2016
Tuesday @ 6:00PM
City Council Chambers

The regular meeting of the Tower City Council was called to order by Mayor Josh Carlson.

Present: Broten, Carlson, Dougherty, and Hiltunen

Absent: Matich

Also Present: L Keith

Visitors: Sheldon Majerle, Jeff Hill, Jason Chopp (Short Elliott & Hendrickson) Steve Altenburg, and Marshall Helmberger

A motion was made by Dougherty and supported by Hiltunen to accept the agenda as amended with the addition of 9.14 2017 Ski Trail Grant Acceptance and 9.15 Extension of Gunderson Road Properties Access Easement. The motion carried unanimously.

A motion was made by Hiltunen and supported by Dougherty to approve the minutes of the previous meetings. The motion carried unanimously.

Public Input: None

Correspondences: A thank you note was received from Dan Broten thanking the City for allowing the use of city property for his ATV Class Training.

Correspondence was received from the MN/DNR regarding property they will be selling for fair market value in the area.

A motion was made by Broten and supported by Dougherty to decline the offer from the MN/DNR to purchase said lands. The motion carried unanimously.

A motion was made by Hiltunen and supported by Broten to accept the reports from officers as presented. The motion carried unanimously.

A motion was made by Broten and supported by Hiltunen to accept the reports from Commissions and Committees as presented. The motion carried unanimously.

A motion was made by Hiltunen and supported by Carlson to offer the position of Ambulance Director to Steve Altenburg at a rate of \$1,300.00 per month. The motion

carried unanimously.

A motion was made by Carlson and supported by Dougherty to require that Dave Rose deposit \$7,500.00 in an escrow account prior to his final Environmental Assessment Worksheet. The motion carried unanimously.

A motion was made by Dougherty and supported by Broten to authorize Short Elliott and Hendrickson to a complete study and mapping of the Hoodoo Point Campground for a cost not to exceed \$11,500.00. The motion carried unanimously.

A motion was made by Hiltunen and supported by Carlson to terminate Rolando Noyes from the Tower Fire Department effective September 13, 2016. The motion carried unanimously.

A motion was made by Carlson and supported by Dougherty 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 bonds 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 the Tower Harbor Project (the "Project") and redevelopment of parcels located in the Tower Redevelopment (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 \$495,000. 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 Hiltunen and supported by Broten to resolve that **WHEREAS**, the City of Tower, Minnesota is a municipal corporation and political subdivision under the laws of the State of Minnesota (the "City"), and exercises powers under Sections 469.124 through 469.133, as amended (the "Act");

WHEREAS, pursuant to the Act, the City is authorized to assist the development of real property by private enterprise;

WHEREAS, the City Council (the "City Council") intends to enter into a Contract for Private Development (the "Development Agreement"), with Tower Vision 2025 L.L.C. (the "Developer"), for the development of housing on certain property located within the City (the "Project").

NOW, THEREFORE: BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOWER, MINNESOTA that the City Council believes that the development of the Project pursuant to the Development Agreement, and fulfillment generally of the Development Agreement, are in the vital and best interests of the City and the health, safety, morals and welfare of the residents of the City, furthers the City's plan of economic development for the City, and furthers the aims and purposes of the Act.

BE IT FURTHER RESOLVED, that the City authorizes the Mayor and Clerk-Treasurer, on behalf of the City, to negotiate the final terms of the Development Agreement, subject to the requirements of the Act and to execute the Development Agreement and all such other documents and instruments as may be necessary to facilitate the Project, so long as any such documents, and instruments are consistent with the provisions of the Development Agreement. The motion carried unanimously.

A motion was made by Dougherty and supported by Broten to resolve that **Whereas**, The authorizing authority of the City of Tower approves the application and acceptance of grants from the Iron Range Resources and Rehabilitation Board (IRRRB) for any and all public projects within the City of Tower; and

Whereas, The authorizing authority hereby agrees to accept funding for the underlying project if approved by the IRRRB;

NOW, THEREFOER BE IT RESOLVED, that the authorizing authority of the City of Tower does hereby adopt this resolution. The motion carried unanimously.

A motion was made by Hiltunen to set the preliminary levy at a twenty percent increase. The motion died for lack of a second.

A motion was made by Carlson and supported by Hiltunen to set the preliminary levy at an increase of ten percent. Councilors Dougherty and Hiltunen and Mayor Carlson assented. Councilor Broten dissented. The motion carried.

A motion was made by Hiltunen and supported by Dougherty to accept the League of Minnesota Cities Insurance Trust recommendation to not allow Jeffrey Hill to drive and/or use the City of Tower's Gem Car. The motion carried unanimously.

A motion was made by Dougherty and supported by Hiltunen to accept the Deputy Clerk Treasurer Job Description as drafted by Councilor Broten, Mayor Carlson and Clerk Treasurer Keith. The motion carried unanimously. A copy of the full job description is on file with the City Clerk Treasurer.

A motion was made by Dougherty and supported by Hiltunen to post the position of Deputy Clerk Treasurer at 32 hours per week. The motion carried unanimously.

A motion was made by Dougherty and supported by Hiltunen to accept the Ski Trail Maintenance Grant from the Minnesota Department of Natural Resources in the amount of \$1,725.00. The motion carried unanimously.

A motion was made by Dougherty and supported by Hiltunen to authorize the City Clerk Treasurer to work with Northern Lights Surveying to draft an easement across all city owned properties near the Gundersen Road. The motion carried unanimously.

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

A motion was made by Dougherty and supported by Broten to adjourn. Time out was 7:59PM.

Respectfully submitted,



Linda K Keith
City Clerk Treasurer