

**ARLINGTON CITY COUNCIL  
MEETING AGENDA  
DECEMBER 7, 2015 AT 6:00 PM  
COUNCIL CHAMBERS**

*The City Council is provided background information for agenda items in advance by city staff, committees and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the Mayor during the "Citizens addressing the Council" portion of the agenda— state your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individuals.*

1. Call meeting to order and Pledge of Allegiance
2. Roll Call
3. Approve the agenda and any agenda additions

**CONSENT AGENDA**

*The items listed for consideration will be enacted by one motion unless the Mayor, a member of the City Council, City Staff or a person in attendance requests an item to be removed from the Agenda.*

4. Approval of Consent Agenda
  - A) Approval of the November 16<sup>th</sup> Regular Meeting Minutes.
  - B) Approval of Bills.
  - C) Approval of changes to the Fire Department's SOG's.

**PUBLIC HEARINGS**

5. Annual Truth-in-Taxation Hearing (6:05 p.m.)

**PETITIONS, REQUESTS, & COMMUNICATIONS**

6. Addressing the Council
7. Announcements
  - A) Sibley County Municipalities Association Semi-Annual Meeting, Thursday, December 10 @ 6:00 p.m.; Arlington Community Center.
  - B) City Offices will be Closing at Noon on Thursday, December 24 and will be closed all day on Friday, December 25 in Observance of the Christmas Holiday.
  - C) City Offices will be Closed on Friday, January 1 in Observance of the New Year's Holiday.
8. Communications
  - A) October Water/Wastewater Report.
  - B) November Building Permit Report.
  - C) October/November Police Reports.

## **ORDINANCES & RESOLUTIONS**

### **9. Ordinances**

- A) First Reading: Ordinance 304 – An Ordinance Repealing and Replacing Ordinance 273 Establishing a Storm Water Drainage Utility and Authorizing the Imposition of Storm Water Drainage Charges.

### **10. Resolutions**

- ~~A) 65-2015 – Authorizing the City of Arlington to Enter into Agreements with Arlington Township for the Township's Use of the Community Center for Its Elections and Meetings. (removed)~~
- B) 66-2015 - Gambling Permit for Sibley County Pheasants Forever.
- C) 67-2015 – Approving/Denying a Conditional Use Permit for a Minor Passenger Automobile Repair Establishment at 306 5<sup>th</sup> Ave NW.
- D) 68-2015 – Authorizing the Issuance, Sale and Delivery of \$351,000 General Obligation Equipment Certificate and Disposal System Refunding Bond, Series 2015C.

## **UNFINISHED BUSINESS**

### **NEW BUSINESS**

- 11. Approve/Deny Hiring KMA Design & Construction to Produce Construction Drawings and Specifications for the Senior Building Remodel.
- 12. Authorize/Deny Terminating RevTrack Credit Card Company and Appointing Point & Pay for Customer Utility and Miscellaneous Payments.

## **MISCELLANEOUS BUSINESS**

### **13. Council Committee Updates**

### **14. Open Discussion**

- A) Actuarial Study.
- B) Seneca Private Road.
- C) RS Fiber WiFi Grant Application.

## **ADJOURNMENT**

### Reminders:

Semi-Annual Sibley County Municipalities Meeting - December 10<sup>th</sup> at 6:00 p.m.  
Parks – December 28<sup>th</sup> @ 7 p.m.

**ARLINGTON CITY COUNCIL  
MEETING MINUTES  
DECEMBER 7, 2015**

The regular meeting was called to order at 6:30 p.m., Mayor Nagel presiding.

Members present: Battcher, Jaszewski, Heiland, Nuesse, Mayor Nagel, Wills

Members absent: None

Also present: City Administrator Donabauer, Attorney Arneson (arrived late), Steve Trocke, Pat & Jenny Otto, Officer Jordan Voigt, Kurt Menk

Motion by Jaszewski, seconded by Heiland, and passed by unanimous vote to approve the agenda with the following changes:

Remove item 10A) Resolution 65-2015 – Authorizing the City of Arlington to Enter into Agreements with Arlington Township for the Township's Use of the Community Center for Its Elections and Meetings.

Motion by Wills, seconded by Nuesse, and passed by unanimous vote to approve the consent agenda as follows:

Approval of the November 16<sup>th</sup> Regular Meeting Minutes

Approval of Bills

Approval of Changes to the Fire Department's SOG's.

Mayor Nagel recessed the regular meeting to hold the Truth-In-Taxation Public Hearing.

Mayor Nagel called to order the annual Truth-In-Taxation public hearing. Adm. Donabauer stated that the purpose of the hearing was to discuss the budget and proposed tax levy, explain the increases/decreases and hear public comments and questions on same. She added that this hearing was not to discuss property valuations; as they are handled in the spring by the County Assessor at the Board of Equalization meeting. She gave a detailed presentation and explained the budget, budget process and tax process.

Steve Trocke expressed concern about the amount of taxes he is paying for his shop (a non-insulated storage building), which is located at the edge of city limits and does not have city water or sewer but does have electricity. He would like to see some kind of adjustment made since he doesn't received benefits from the city. It was suggested that his tax statement be reviewed to determine all the contributing factors, but it was concluded that most of it was based on the value of the building/property (as set by the County Assessor).

Mayor Nagel adjourned the Truth-In-Taxation Public Hearing and reconvened the regular meeting at 6:43 p.m.

It was noted that there were no citizens present to address the Council on non-agenda items.

The following announcements were reviewed:

Sibley County Municipalities Association Semi-Annual Meeting, Thursday, December 10 @ 6:00 p.m.; Arlington Community Center.

City Offices will be Closing at Noon on Thursday, December 24 and will be closed all day on Friday, December 25 in Observance of the Christmas Holiday.

City Offices will be Closed on Friday, January 1 in Observance of the New Year's Holiday.

The Council reviewed the following communications:

- A) October Water/Wastewater Report
- B) November Building Permit Report
- C) October/November Police Reports.

The first reading of Ordinance No. 304 – An Ordinance Repealing and Replacing Ordinance 273 Establishing a Storm Water Drainage Utility and Authorizing the Imposition of Storm Water Drainage Charges, was held. Adm. Donabauer reviewed the various changes being made within the ordinance; more specifically the proposed rate structure fees being charged for storm drainage. It was suggested to send letters out to the property owners who will be affected the most, to notify them of the upcoming change.

Councilmember Wills introduced the following resolution and moved for its adoption:

**RESOLUTION 66-2015**

**A RESOLUTION APPROVING THE APPLICATION FOR A LAWFUL GAMBLING PERMIT FOR SIBLEY COUNTY PHEASANTS FOREVER**

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Arlington hereby approves the application for a Lawful Gambling Permit as submitted by Sibley County Pheasants Forever for a raffle event on February 13, 2016.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Heiland, and upon poll being taken thereon the following voted in favor thereof: Battcher, Heiland, Jaszewski, Nuesse, Wills; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

The foregoing resolution was adopted by the City Council of the City of Arlington this 7<sup>th</sup> day of December, 2015.

Signed: /s/ Richard Nagel, Mayor

Attested: /s/ Liza M. Donabauer, City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Adm. Donabauer reviewed the recommendations from the Planning Committee regarding the CUP request from Pat Otto and Jim Heiland for the property located at 306 5<sup>th</sup> Avenue NW. Heiland expressed his opposition to a couple of the conditions being placed within the CUP, more specifically having to place screening or a fence on the southern boundary line and amount of time a vehicle is permitted on site. It was suggested to send the CUP request back to the Planning Committee for clarification on the conditions.

Councilmember Nuesse introduced the following resolution and moved for its adoption:

**RESOLUTION 67-2015**

**A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR A MINOR PASSENGER AUTOMOBILE REPAIR ESTABLISHMENT AT 306 5<sup>TH</sup> AVENUE NW**

**WHEREAS**, Mr. Pat Otto and Jim Heiland have submitted a request for a Conditional Use Permit to operate a minor passenger automobile repair at 306 5<sup>th</sup> Avenue North; and

**WHEREAS**, the subject property is legally described as Lots 24-28, Blk2, Charles Hillemann Addition, City of Arlington, Sibley County MN. Parcel # 31.0397.000.

**WHEREAS**, Section 7, Subd. 3 of the Arlington Zoning Ordinance provides for conditional uses allowed in the B-1 Service Business District; and

**WHEREAS**, the Applicant(s) represents:

Auto repair to include tune-ups, engine repair including gasket replacement, internal parts replacement, replacement of transmissions, replacement of struts, brake replacement, exhaust system repair, shocks replacement, tire sales and repair, starter and electronic component repair or replacement.

Auto and light truck repair will be the main focus of the business but there may be an occasional farm tractor, heavy duty truck or piece of farm machinery being repaired.

No more than fifteen (15) vehicles will be parked on the lot at any one time.

Retail sales shall be allowed indoors at the site.

**WHEREAS**, notice of a public hearing to accept input on the CUP request was published in the official newspaper on November 19, 2015 and sent to property owners within 350 feet of the property; and

**WHEREAS**, the Planning and Zoning Committee conducted a public hearing on the CUP request on December 3, 2015 and accepted input on the CUP request; and

**WHEREAS**, the Planning Committee has reviewed the CUP request and has made the following findings:

That with the conditions listed below the use will not be detrimental to the health, safety, morals, comfort, convenience or welfare of the persons residing in the neighborhood since the use will be consistent with adjacent land uses within the same zoning district.

That with the conditions listed below the use will not be detrimental to the public welfare, or injurious to property or improvements in the neighborhood since the use will be consistent with adjacent land uses within the same zoning district.

**WHEREAS**, the Planning Committee approved a resolution recommending the City Council approve of the CUP request subject to certain conditions; and,

**WHEREAS**, the City Council reviewed the conditional use permit at a regular meeting on December 7, 2015; and,

**WHEREAS**, the City Council affirmed findings of the Planning Committee.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON**

**THAT:** a request for a conditional use permit to operate a minor passenger automobile repair establishment at 306 5<sup>th</sup> Avenue North is hereby approved, subject to the following:

Uses of the subject property shall be limited to the following:

The Applicants propose minor automobile repair and service is proposed for the site. Auto repair to include tune-ups, engine repair including gasket replacement, internal parts replacement, replacement of transmissions, replacement of struts, brake replacement, exhaust system repair, shocks replacement, tire sales and repair, starter and electronic component repair or replacement.

Minor automobile repair shall not include vehicle painting or auto body work such as dent removal.

Retail sales shall be allowed indoors.

The total volume of passenger automobiles stored on site shall at no time exceed fifteen (15) vehicles. If being repaired heavy trucks, farm equipment, and farm tractors may be stored indoors but not outdoors at the site. Passenger vehicles stored outdoors at the site shall be parked in a neat and orderly fashion.

All vehicles, equipment, and the like being repaired shall display current licenses and be in the process of being repaired in a timely fashion, that is within ten (10) days of being placed on site. The Property Owner or Tenant shall maintain a record of each automobile undergoing minor repair illustrating the date the vehicle was delivered to the site. The Property Owner and/or Tenant shall make the record of vehicles undergoing repair available to the City upon request.

Outdoor storage of: vehicle parts, scrap metal, tires, engine parts, oil, fluids, vehicles or equipment not displaying current licenses, trailers, campers, buses, heavy construction equipment, miscellaneous debris, vehicles for sale, non-passenger automobiles, miscellaneous equipment, and similar items is strictly prohibited and not authorized under this conditional use permit.

The Property Owner or Lessee shall obtain approval from the Building Official prior to commencing operation of the auto repair business. Minor automobile repair must be conducted within a building structure on a surface approved by the Building Official. At no time shall minor automobile repair be conducted outdoors or on a pervious surface.

Minor automobile repair shall only be conducted by the owner of the property and/or his or her employees.

The applicant/property owner must submit details (i.e. location, type and volume) of signage to the City for approval prior to placing any signage on site. Signage must comply with the requirements of the B-1 Service Business District.

By July 1, 2016 screening which may consists of either or both a fence or shrubs shall be installed adjacent to the southern property boundary shared with a residential use.

This conditional use permit supersedes and replaces any previous conditional use permit in effect for the subject site.

This conditional use permit is in effect for the property at 306 5<sup>th</sup> Avenue NW and assigned to the current and/or any future owner of the property. The conditional use permit may be revoked by the City following written notice to the property owner if the conditions of the permit as listed herein are not met and/or maintained. The conditional use permit will expire if/when the use of the property is changed.

The applicant shall provide evidence to the City of and maintain compliance with any federal or state laws or regulations which are applicable (i.e. collection/disposal of hazardous materials, etc. on site).

No changes in the approved plans or scope of the conditional use shall be undertaken without prior approval of those changes by the City. Proposed permit modifications shall be classified as major or minor, as determined by the Zoning Administrator. Major permit modifications may include, but shall not be limited to, hours of operation, number of employees, expansion of structures and/or premises, operational modifications resulting in increased traffic, and the like.

The CUP shall be recorded with the Sibley County Recorder's Office.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Battcher and upon poll being taken thereon, the following voted in favor thereof: Battcher, Jaszewski, Nuesse; and the following voted against the same: Wills; and the following abstained from voting: Heiland; and the following were absent: None.

The foregoing resolution was adopted by the City Council of the City of Arlington this 7<sup>th</sup> day of December, 2015.

Signed: /s/ Richard Nagel, Mayor Attested: /s/ Liza M. Donabauer, City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Adm. Donabauer presented a General Obligation Equipment Certificate and Disposal System Refunding Bond in the amount of \$351,000. She explained that this Bond was consolidating the Ambulance Equipment Certificate (townships' portion of \$84,000) and the 2009A Bond (WWTP digester \$450,000, currently \$267,000 and funded by the A-GI fund). She stated that by doing this, the City can save issuance costs and generate gross savings of more than \$19,000 on the 2009A Bond. It was noted that the interest rate would be 2.60% through the MN Rural Water Program; the maturity date would stay the same: 2024.

Councilmember Wills introduced the following resolution and moved for its adoption:

#### **RESOLUTION 68-2015**

#### **RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$351,000 GENERAL OBLIGATION EQUIPMENT CERTIFICATE AND DISPOSAL SYSTEM REFUNDING BOND, SERIES 2015C**

BE IT RESOLVED, by the City Council (the "City Council") of the City of Arlington, Sibley County, Minnesota (the "Issuer"), as follows:

Section 1. Bond Purpose, Authorization, and Award.

1.01 Statutory Authority. Pursuant to the authority granted in Minnesota Statutes, Sections 115.46, 412.301, 444.075 and Chapter 475, the Issuer:

A. has previously issued its \$450,000 General Obligation Disposal System Bonds, Series 2009A (the “2009 Bonds”) for the purpose of financing the cost of capital improvements to the Issuer’s disposal system (the “2009 Project”).

B. is authorized to issue and sell obligations to refund the 2009 Bonds before their due dates if consistent with covenants made with the holders thereof, when determined by the Issuer to be necessary or desirable for the reduction of debt service costs to the Issuer or for the extension or adjustment of maturities in relation to the resources available for their payment (the “Refunding Project”).

C. is authorized to issue and sell obligations for the purchase of items of capital equipment having an expected useful life at least as long as the term of the obligation (the “Equipment Project”).

1.02 Findings. It is found and declared that:

A. the Issuer has determined that it is necessary, expedient and in the best interest of the residents of the Issuer that the Issuer issue and sell its \$351,000 General Obligation Equipment Certificate and Disposal System Refunding Bond, Series 2015C (the “Bond”), in order to:

(1) reduce the debt service cost to the Issuer with respect to the 2009 Bonds hereinafter described and to refund on a current refunding basis the outstanding 2017 through 2024 maturities of the 2009 Bonds, of which \$265,000 in principal amount is outstanding (the “Refunded Bond”) and which are hereby called for prepayment and redemption on February 1, 2016 (the “Redemption Date”); and

(2) provide funds for the Equipment Project; and

(3) pay certain expenses incurred in the issuance of the Bond and to pay a portion of the interest cost of the Bond.

B. The estimated market value of the Issuer for calendar year 2015 is \$88,478,948, 0.25 percent of which is \$221,197.37. Therefore, the principal amount of the Equipment Project Portion (as defined below) does not exceed 0.25 percent of the market value of taxable property in the Issuer; and

1.03 Authorization.

A. The Issuer directs the issuance and sale of the Bond.

B. Of the principal amount of the Bond, \$267,000 is allocated to financing the cost of the Refunding Project and paying a pro rata portion of the issuance costs of the Bond (the “Utility Project Portion”). The principal and interest on the Utility Project Portion of the Bond shall be paid primarily from net revenues of the Issuer’s disposal system (the “Utility”) in excess of claims duly approved and allowed for payment of expenses of the Utility which, under generally accepted accounting principles, constitute normal, reasonable, and current expenses of operating and maintaining the Utility and to maintain such reasonable reserves for such expenses of the Utility as the City Council shall determine to be necessary from time to time (the “Net Revenues”).

C. Of the principal amount of the Bond, \$84,000 is allocated to the Equipment Project and for paying a pro rata portion of the issuance costs of the Bond (the “Equipment Project Portion”). The principal and interest on the Equipment Project Portion of the Bond shall be paid primarily from ad valorem taxes as herein levied (the “Taxes”).

1.04 Municipal Advisor. The Issuer has retained the services of David Drown Associates, Inc. as its municipal financial advisor.

1.05 Sale. A. Pursuant to Section 475.60, Subdivision 2(9) of the Act, which waives the requirement for a public sale of the Bond when a municipality has retained an municipal advisor, the Issuer has received an offer from Bank of Zumbrota, Zumbrota, Minnesota (the “Purchaser”), to purchase the Bond at a cash price of par and upon condition that the Bond matures and bears interest at the times and annual rate set forth in Section 2.

B. The Issuer, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is accepted. The Mayor and the Clerk-Treasurer are authorized and directed to execute on the part of the Issuer a contract for the sale of the Bond in accordance with the Purchaser’s proposal. All actions of the Mayor and the Clerk-Treasurer taken with regard to the sale of the Bond are ratified and approved.

Section 2. Terms of the Bond.

2.01 Interest Rate and Principal Maturities.

A. The Bond shall be dated the date of its closing and delivery as the date of original issue, shall be issued in the denomination equal to the principal amount thereof, shall be issued in fully registered form and lettered

and numbered R-1. The Bond shall bear interest at the annual rate of 2.60 percent and shall mature on the dates and in the installment amounts shown below.

<b>Year</b>	<b>Equipment Project Portion</b>	<b>Utility Project Portion</b>	<b>Principal</b>
2/1/2017	-	\$31,000	\$31,000
2/1/2018	\$16,000	\$31,000	\$47,000
2/1/2019	\$16,000	\$31,000	\$47,000
2/1/2020	\$17,000	\$36,000	\$53,000
2/1/2021	\$17,000	\$35,000	\$52,000
2/1/2022	\$18,000	\$35,000	\$53,000
2/1/2023	-	\$34,000	\$34,000
2/1/2024	-	\$34,000	\$34,000

B. The maturities of the Bond, together with the maturities of all other outstanding general obligation bonds of the Issuer, meet the requirements of Minnesota Statutes, Section 475.54.

2.02 Interest Payment Dates; Record Date.

A. The Bond shall bear interest at the annual rate stated therefor in Section 2.01. The interest shall be payable semiannually on February 1 and August 1 in each year (each referred to herein as an “Interest Payment Date”) commencing on August 1, 2016. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

B. The Registrar designated below shall make all interest payments with respect to the Bond by check or draft mailed to the registered owner of the Bond shown on the bond registration records maintained by the Registrar at the close of business on the 15th day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owners’ addresses shown on such bond registration records.

2.03 Prepayment. The Bond is prepayable on any payment date without notice at a price of par plus accrued interest to the prepayment date, plus a \$200 processing fee; provided that if prepayment is prior to February 1, 2017, the redemption price shall also include a premium of 0.5% of the principal amount to be prepaid.

2.04 Preparation and Execution. A. The Bond shall be prepared for execution in accordance with the approved form and shall be signed by the manual signature of the Mayor and attested by the manual signature of the Clerk-Treasurer. The corporate seal of the Issuer may be omitted from the Bond as permitted by law. In case any officer whose signature shall appear on the Bond shall cease to be an officer before delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

B. The Clerk-Treasurer is authorized and directed to obtain a copy of the proposed approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, which is to be complete thereof and cause the opinion to be attached to the Bond.

2.05 Appointment of Registrar. The Issuer appoints the Clerk-Treasurer as registrar, authenticating agent, paying agent and transfer agent for the Bond (the “Registrar”). The Issuer reserves the right to name a substitute, successor Registrar upon giving prompt written notice to each registered bond holder.

2.06 Registered Owner. The Bond shall be registered in the name of the Purchaser.

2.07 Register. The Issuer shall cause to be kept by the Registrar a bond register in which, subject to such reasonable regulations as the Registrar may prescribe, the Issuer shall provide for the registration of the Bond and the registration of transfers of the Bond entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Registrar as may be appointed by the Issuer.

2.08 Payment. The principal of and interest on the Bond shall be payable by the Registrar in such funds as are legal tender for the payment of debts due the United States of America. The Issuer shall pay the reasonable and customary charges of the Registrar for the disbursement of principal and interest.

2.09 Delivery. Delivery of the Bond and payment of the purchase price shall be made at a place mutually satisfactory to the Issuer and the Purchaser. A typewritten and executed bond shall be furnished by the Issuer without cost to the Purchaser. The Bond, when prepared in accordance with this Resolution and executed,



shall be delivered by or under the direction of the Clerk-Treasurer to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 3.      Form of the Bond.

3.01      The Bond shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
SIBLEY COUNTY

R-1

\$351,000

CITY OF ARLINGTON  
GENERAL OBLIGATION EQUIPMENT CERTIFICATE AND DISPOSAL SYSTEM  
REFUNDING BOND, SERIES 2015C

Rate	Maturity Date	Date of Original Issue
2.60%	February 1, 2024	_____, 2015

REGISTERED OWNER: BANK OF ZUMBROTA

PRINCIPAL AMOUNT: THREE HUNDRED FIFTY-ONE THOUSAND DOLLARS

The City of Arlington, Sibley County, Minnesota (the “Issuer”), for value received, promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, and to pay interest on said principal amount to the registered owner hereof from the date of original issue set forth above, or from the most recent Interest Payment Date (defined below) to which interest has been paid or duly provided for, until the principal amount is paid, said interest being at the rate per annum specified above.

Interest is payable semiannually on February 1 and August 1 of each year (each referred to herein as an “Interest Payment Date”) commencing on August 1, 2016. This Bond is payable in the principal installment amounts and at the times described below. Payments shall be applied first to interest due on the outstanding principal balance and thereafter to reduction of the principal balance.

Year	Principal
2/1/2017	\$31,000
2/1/2018	\$47,000
2/1/2019	\$47,000
2/1/2020	\$53,000
2/1/2021	\$52,000
2/1/2022	\$53,000
2/1/2023	\$34,000
2/1/2024	\$34,000

Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the main office of the Clerk-Treasurer, as registrar, authenticating agent, paying agent and transfer agent (the “Registrar”), or at the office of such successor Registrar as may be designated by the governing body of the Issuer. The Registrar shall make all payments with respect to this Bond directly to the registered owner hereof shown on the Bond registration records maintained on behalf of the Issuer by the Registrar at the close of business on the 15th day of the month next preceding the Interest Payment Date (whether or not a business day) at such owners’ addresses shown on said Bond registration records, without, except for final payment of principal of this Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligation of the Issuer to the extent of the payments so made. The final payment of principal of this Bond shall be made upon presentation and surrender of this Bond to the Registrar when due.

For the prompt and full payment of such principal and interest as they become due, the full faith and credit and taxing power of the Issuer are irrevocably pledged. The Issuer has designated this Bond as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond comprises the entire amount of this series issued by the Issuer as one fully registered bond without coupons, in the aggregate amount of \$351,000, pursuant to the authority contained in Minnesota Statutes, Sections 115.46, 412.301, 444.075 and Chapter 475, and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the Issuer on December 7, 2015 (the "Resolution"), for the purpose of (1) refunding certain outstanding obligations of the Issuer; (2) financing capital equipment; (3) payment of a portion of the costs of issuing the Bond; and (4) payment of part of the interest cost of the Bond. Principal of and interest on this Bond are payable primarily from ad valorem taxes and revenues of the Issuer's disposal system (the "Utility") in excess of claims duly approved and allowed for payment of expenses of the Utility which, under generally accepted accounting principles, constitute normal, reasonable, and current expenses of operating and maintaining the Utility and to maintain such reasonable reserves for such expenses of the Utility as the City Council shall determine to be necessary from time to time (the "Net Revenues"). (The ad valorem taxes and Net Revenues are collectively referred to herein as the "Pledged Revenues.") The Pledged Revenues are sufficient to pay the interest on and principal of this Bond.

This Bond is prepayable on any payment date without notice at a price of par plus accrued interest to the prepayment date, plus a \$200 processing fee; provided that if prepayment is prior to February 1, 2017, the redemption price shall also include a premium of 0.5% of the principal amount to be prepaid.

The Issuer will, at the request of the registered owner, issue one new fully registered Bond in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Bond, of like tenor except as to number and principal amount. This Bond is transferable by the registered owner hereof upon surrender of this Bond for transfer at the principal corporate office of the Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the Issuer shall execute and the Registrar shall authenticate, if required by law or the Resolution, and deliver, in exchange for this Bond, one new fully registered Bond in the name of the transferee, in an aggregate principal amount equal to the unpaid principal amount of this Bond, of the same maturity, and bearing interest at the same rate. No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the limits of the Issuer is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount and that the issuance of this Bond does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Arlington, Sibley County, Minnesota, by its governing body, has caused this Bond to be executed in its name by the signature of the Mayor and attested by the signature of the Clerk-Treasurer.

ATTEST:

(form no signature required)  
Clerk-Treasurer

(form no signature required)  
Mayor

#### REGISTRATION CERTIFICATE

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by the Clerk-Treasurer of the Issuer, as Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Issuer in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Registrar</u>
12/___/2015	Bank of Zumbrota 1440 Main Street P.O. Box 8 Zumbrota, MN 55992 Federal Tax I.D. No.: 41-0250300	_____ <i>(form no signature)</i>

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
Social Security or Other  
Identifying Number of Assignee

the within Bond and all rights thereunder and irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company, member of  
National Securities Exchange)

THIS INSTRUMENT HAS NOT BEEN REGISTERED UNDER THE FEDERAL SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF FOR VALUE, OR TRANSFERRED, WITHOUT (i) AN OPINION OF COUNSEL THAT SUCH SALE, DISPOSITION OR TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933, AS AMENDED AND UNDER APPLICABLE STATE SECURITIES LAWS, OR (ii) SUCH REGISTRATION. THE TRANSFERABILITY OF THIS INSTRUMENT IS SUBJECT TO RESTRICTIONS REQUIRED BY (1) FEDERAL AND STATE SECURITIES LAWS GOVERNING UNREGISTERED SECURITIES; AND (2) THE RULES, REGULATIONS, AND INTERPRETATIONS OF THE GOVERNMENTAL AGENCIES ADMINISTERING SUCH LAWS. THIS INSTRUMENT HAS NOT BEEN REGISTERED UNDER CHAPTER 80A OF MINNESOTA STATUTES OR OTHER APPLICABLE STATE BLUE SKY LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF FOR VALUE EXCEPT PURSUANT TO REGISTRATION OR OPERATION OF LAW.

Section 4. Covenants, Funds, Accounts.

4.01 Disposal System Fund. The Issuer covenants and agrees with the holder of the Bond and with its taxpayers as follows:

A. It will impose and collect just and equitable charges for all use and for the availability of all facilities of the Utility at the times and in the amounts required to pay the normal, reasonable, and current expenses of operating and maintaining the Utility, and also to produce net revenues that will be at least adequate at all times to pay the principal and interest due on the Bond and on all other notes and bonds heretofore or hereafter issued and made payable from said net revenues, and will operate the Utility and segregate and account for the revenues thereof as provided in this Section.

B. It will place all such charges for the use and availability of the Utility, when collected, and all money received from the sale of any facilities or equipment of the Utility in the Disposal System Fund (the "Disposal System Fund"). Except as provided in this Section, this fund shall be used only to pay claims duly approved and allowed for payment of expenses which, under generally accepted accounting principles, constitute normal, reasonable, and current expenses of operating and maintaining the Utility, and to maintain such reasonable reserves for such expenses as the City Council shall determine to be necessary from time to time. Sums in excess of those required to make such payments and maintain such reserves constitute a portion of the net revenues which are herein pledged and appropriated first to pay the principal of and interest when due on the Bond.

C. Surplus Utility revenues from time to time received in the Disposal System Fund, in excess of payments due from and reserves required to be maintained in the Disposal System Fund and in the Debt Service Account, may be used for necessary capital expenditures for the improvement of the Utility, for the prepayment and redemption of notes and bonds issued pursuant to Section 444.075 of the Act, and for any other proper municipal purpose consistent with law and policies established by resolution of the City Council.

4.02 A. The Fund. There is created a special fund to be designated the "2015C General Obligation Equipment Certificate and Disposal System Refunding Bond Fund" (the "Fund") to be administered and maintained by the Issuer as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Issuer. The Fund shall be maintained in the manner herein specified until all of the Bond and the interest thereon have been fully paid. There shall be maintained in the Fund four (4) separate accounts, to be designated the "Refunding Account," the "Equipment Project Account," the "Debt Service Account" and the "Cost of Issuance Account," respectively:

B. Refunding Account.

(1) On receipt of the purchase price of the Bond, the Issuer shall credit to the Refunding Account proceeds from the Refunding Project Portion less (a) the amounts to be deposited in the Costs of Issuance Account; (b) less amounts allocated as capitalized interest funded from Bond proceeds, if any (the "Capitalized Interest"); (c) less amounts used to pay part of the interest cost of the issue as allowed by Section 475.56 of the Act (the "Additional Interest"); and (d) less the Accrued Interest. All funds on deposit in the debt service account created by the Prior Resolution (the "Prior Debt Service Account") shall be transferred to the Refunding Account.

(2) The resolution authorizing the sale and issuance of the 2009 Bonds, dated July 6, 2009 is referred to herein as the "Prior Resolution." From the Refunding Account there shall be paid the amount necessary to pay the 2009 Bonds in full on the Redemption Date. Upon payment of the 2009 Bond in full, all monies remaining in the Refunding Account shall be transferred to the Debt Service Account.

C. Equipment Project Account. On receipt of the purchase price of the Bond, the Issuer shall credit proceeds from the sale of the Equipment Project Portion less (a) the amounts to be deposited in the Costs of Issuance Account; (b) less amounts allocated as capitalized interest funded from Bond proceeds, if any (the "Capitalized Interest"); (c) less amounts used to pay part of the interest cost of the issue as allowed by Section 475.56 of the Act (the "Additional Interest"); and (d) less the Accrued Interest. Proceeds of the Bond on deposit in the Equipment Project Account shall be used to pay costs of the Equipment Project.

D. Costs of Issuance Account. On receipt of the purchase price of the Bond, the Issuer shall credit to the Costs of Issuance Account the proceeds from the sale of the Bond in an amount necessary to pay the costs of issuance of the Bond. In the event the proceeds of the Bond, after meeting the requirements for deposits to the other Accounts, are insufficient for payment of costs of issuance of the Bond, the Issuer will appropriate available funds to meet any deficiency. Any balance remaining in the Costs of Issuance Account after payment in full of the costs of issuance of the Bond shall be transferred to the Debt Service Account.

E. Debt Service Account.

(1) There is pledged and appropriated and there shall be credited to the Debt Service Account: (i) the Accrued Interest; (ii) the Capitalized Interest; (iii) the Additional Interest and surplus funds in the amount of \$3,200; (iv) all funds remaining in the Refunding Account after redemption of the 2009 Bond on the Redemption Date; (v) solely for the payment of the Utility Project Portion, Net Revenues derived from operation of the Issuer's Utility; (vi) the Issuer's funds in an amount necessary to provide the coverage specified in Minnesota Statutes, Section 475.61 and any and all other monies which are properly available and are appropriated by the governing body of the Issuer to the Debt Service Account; (vii) any ad valorem taxes hereinafter levied; and (viii) investment earnings on the monies identified in the foregoing clauses (i) through (vii). The proceeds of the Bond described in clauses (i), (ii) and (iii) of the preceding sentence shall be used for payment of interest on the Bond to the extent not required to meet the financial obligations payable from the Refunding Account.

(2) The money in such account shall be used for no purpose other than the payment of principal and interest on the Bond and any other general obligation bonds of the Issuer hereafter issued by the Issuer and made payable from said account as provided by law; provided, however, that if any payment of principal or interest shall

become due when there is not sufficient money in the Debt Service Account, the Clerk-Treasurer shall pay the same from any other fund of the Issuer, which fund shall be reimbursed from the Debt Service Account when the balance therein is sufficient.

F. Prior Capital Accounts. Any capital accounts created in the Prior Resolution are terminated and any monies remaining therein shall be transferred to the respective debt service account established in the Prior Resolution.

G. Prior Debt Service Account. Upon redemption of the 2009 Bonds on the Redemption Date, the Prior Debt Service Account shall be terminated, and all monies remaining therein not required to refund the 2009 Bonds shall be transferred to the Debt Service Account. Any ad valorem taxes levied under the Prior Resolution and collected after the Redemption Date shall be deposited in the Debt Service Account.

H. Investments. Monies on deposit in the Refunding Account and in the Debt Service Account may, at the discretion of the Issuer, be invested in securities permitted by Minnesota Statutes, Chapter 118A; provided, that any such investments shall mature at such times and in such amounts as will permit for payment of the principal and interest on the Bond when due.

4.03 Levies Cancelled. Upon payment in full of the Refunded Bonds, on the Redemption Date, the Clerk-Treasurer is authorized and directed to certify such fact to and request the County Auditor to cancel any and all tax levies made by the Prior Resolution, except for the levy of taxes payable in 2015 which shall be deposited in the Debt Service Account.

4.04 Tax Levy. A. For the prompt and full payment of the principal and interest on the Bond when due, the full faith and credit and taxing power of the Issuer are irrevocably pledged. There is levied a direct annual ad valorem tax upon all taxable property in the Issuer which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the Issuer. Said levies are for the years and in the amounts set forth below:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Amount</u>
2016	2017	\$17,911
2017	2018	\$17,768
2018	2019	\$18,352
2019	2020	\$17,910
2020	2021	\$18,468

B. The tax levies are such that if collected in full they, together with estimated collections of investment earnings and other funds herein pledged and appropriated for payment of the Bond, will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bond.

C. The tax levies shall be irrevocable so long as the Bond is outstanding and unpaid; provided, however, that on November 30 of each year, while the Bond issued is outstanding, the City Council shall reduce or cancel the above levies to the extent of funds available in the Debt Service Fund to pay principal and interest due during the ensuing year, and shall direct the County Auditor to reduce the levy for such calendar year by that amount.

## Section 5. Refunding; Findings; Redemption of 2009 Bond.

5.01 Findings. It is found and determined that based upon information presently available from the Issuer's financial advisors, the issuance of the Bond is consistent with covenants in the Prior Resolution and is necessary and desirable for the reduction of debt service costs to the Issuer and for the adjustment of the maturities in relation to the resources available for their payment. It is further found and determined that the proceeds and funds available and appropriated to the Refunding Account will be sufficient to pay the 2009 Bonds in full on the Redemption Date.

5.02 Notice of Call for Redemption. The 2009 Bonds shall be redeemed and prepaid in accordance with their terms and in accordance with the terms and conditions set forth in the form of Notice of Call for Redemption attached hereto as **Exhibit A**, which terms and conditions are approved and incorporated herein by reference. The Clerk-Treasurer or designee is authorized and directed to forthwith, no later than one month prior to the Redemption Date, send written notice of call to the registered owners and paying agent of the 2009 Bonds, and to publish notice if required by law or the Prior Resolution.

5.03 Release of Covenants. When the principal of the 2009 Bonds and all interest thereon has been discharged as provided in this Section and Section 4, all pledges, covenants and other rights granted by this Resolution to the holders of the 2009 Bonds shall cease, except that the pledge of the full faith and credit of the

Issuer for the prompt and full payment of the principal and interest on the 2009 Bonds shall remain in full force and effect. The Issuer may discharge all bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the Redemption Date.

Section 6. Tax Covenants.

6.01 General. A. The Issuer covenants and agrees with the holders of the Bond that the Issuer will (i) take all action on its part necessary to cause the interest on the Bond to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bond and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bond to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bond and investment earnings thereon on certain specified purposes.

B. The 2009 Project is fully completed. The proceeds of the 2009 Bonds have been totally expended to pay the capital costs of the 2009 Project and issuance costs of the 2009 Bonds.

C. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the Issuer finds, determines and declares:

- (i) the Issuer is a governmental unit with general taxing powers;
- (ii) the Bond is not a "private activity bond" as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the "Code");
- (iii) 95% or more of the net proceeds of the Bond is to be used for local governmental activities of the Issuer; and

- (iv) the aggregate face amount of the tax exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Bond is issued is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

D. In order to qualify the Bond as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the Issuer makes the following factual statements and representations:

- (i) the Bond is not "private activity bonds" as defined in Section 141 of the Code;
- (ii) the Issuer designates the Bond as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (iii) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Issuer (and all entities whose obligations will be aggregated with those of the Issuer) during the calendar year in which the Bond is being issued will not exceed \$10,000,000; and

- (iv) not more than \$10,000,000 of obligations issued by the Issuer during the calendar year in which the Bond is being issued have been designated for purposes of Section 265(b)(3) of the Code.

Section 7. Certificate of Proceedings; Miscellaneous.

7.01 The Clerk-Treasurer or the designee is directed to file with the County Auditor a certified copy of this Resolution and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Bond herein authorized has been duly entered on the County Auditor's register.

7.02 The officers of the Issuer are authorized and directed to prepare and furnish to the Purchaser of the Bond and to bond counsel for the Bond certified copies of all proceedings and records of the Issuer relating to the authorization and issuance of the Bond and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bond as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the Issuer as to the correctness of facts recited therein and the actions stated therein to have been taken.

7.03 In the event of the absence or disability of the Mayor or the Clerk-Treasurer, such officers or members of the Issuer as in the opinion of the Issuer's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Bond, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

7.04 No official statement or prospectus has been prepared or circulated by the Issuer in connection with the sale of the Bond and the Purchaser has made its own investigation concerning the Issuer as set forth in an investment letter and receipt dated the date hereof.

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Adopted: December 7, 2015.

/s/ Richard Nagel

Mayor

ATTEST:

/s/ Liza M. Donabauer

Clerk-Treasurer

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## EXHIBIT A

### NOTICE OF CALL FOR REDEMPTION GENERAL OBLIGATION DISPOSAL SYSTEM REFUNDING BONDS, SERIES 2009 OF THE CITY OF ARLINGTON, MINNESOTA

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Arlington, Minnesota (the "Issuer"), there have been called for redemption and prepayment on *February 1, 2016* (the "Redemption Date"), all outstanding bonds of the Issuer designated above, having a stated maturity date of January 1, in the years 2017 through 2024, totaling \$265,000 in outstanding principal amount.

Number	Maturity	Principal Amount*	Interest Rate	CUSIP Number**
R-8	2017	\$30,000	3.25%	041645 NX6
R-9	2018	\$30,000	3.50%	041645 NY4
R-10	2019	\$30,000	3.75%	041645 NZ1
R-11	2020	\$35,000	3.875%	041645 PA4
R-12	2021	\$35,000	4.00%	041645 PB2
R-13	2022	\$35,000	4.10%	041645 PC0
R-14	2023	\$35,000	4.20%	041645 PD8
R-15	2024	\$35,000	4.25%	041645 PE6

The Bonds being called for redemption are being called at a price of par plus accrued interest to the Redemption Date, on which date all interest on said Bond will cease to accrue. Holders of the Bonds hereby called for redemption are requested to present their Bond for payment at the office of U.S. Bank National Association, Corporate Trust Services, 111 Fillmore Avenue East, St. Paul, Minnesota 55107-2292, on or before the Redemption Date.

\* Indicates full call of stated maturity.

\*\* Neither the City nor the Paying Agent shall be responsible for the selection of or use of the CUSIP number, and no representation is made as to its correctness indicated in the Notice of Call for Redemption. CUSIP numbers are included solely for the convenience of the Holders.

Dated: December 7, 2015

BY ORDER OF THE CITY COUNCIL OF THE CITY OF ARLINGTON, MINNESOTA

It is recommended that you mail your Bond registered or certified mail to guard against loss.

**Important Notice:** In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2001, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time of the payment by the redeeming institutions if they are not provided with your social security number or federal employer identification number, properly certified. This requirement is fulfilled by submitting a W-9 Form, which may be obtained at a bank or other financial institution.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Nuesse and upon poll being taken thereon, the following voted in favor thereof: Battcher, Heiland, Jaszewski, Nuesse, Wills; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

The foregoing resolution was adopted by the City Council of the City of Arlington this 7<sup>th</sup> day of December, 2015

Signed: /s/ Richard Nagel, Mayor

Attested: /s/ Liza M. Donabauer, City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Adm. Donabauer talked about the convenience fees (approximately \$10,000 a year) that the City has been paying over the years for customers to use their credit cards to pay their utility/miscellaneous bills. She stated that staff has looked into finding a company that will charge the credit card user directly and not the City; four such companies were found. The information was reviewed. Staff recommended discontinuing service with RevTrak and to go with Point & Pay, who will not charge the City a convenience fee and the fee to the user will be minimal. The credit card users will be notified of the change; that they will now be charged the convenience/user fee.

Motion by Jaszewski, seconded by Nuesse, and passed by unanimous vote to authorize terminating service with RevTrak Credit Card Company; and appointing Point & Pay as the new credit card service for customer utility and miscellaneous payments.

Adm. Donabauer stated that the last Parks Committee meeting was held at the Senior Building in Four Seasons Park to discuss the proposed remodel plans of the building. A couple of members from the Lions organizations and a couple of contractors were present during the meeting. It was determined at the meeting that an architect should be hired, as the project was more complex than originally thought. It was suggested to hire KMA Construction & Design to draft the construction drawings and specifications for the project; then contractors can bid on the project accordingly. It was noted that the Lions are working on a grant to help fund a portion of the project (deadline is May 2016); the city would have to pay a matching portion of the grant. The City would be responsible for the cost of the engineering, which could be included in the City's portion of the project. Wills expressed concern about spending the money on engineering costs at this time due to what the building is used for – warming house and for the seniors. He would rather see the money go towards a new library. It was noted that the (public) building is not currently ADA compliant.

Motion by Nuesse, seconded by Jaszewski, and carried (Wills opposed) to approve the hiring of KMA Design & Construction to produce construction drawings and specifications for the Senior Building Remodel.

Jaszewski provided an update on the RSMC Board. He stated that their main focus was on the budget, which the major areas were in the black. He stated that Brenda Pautsch, Dave Welch and Lisa Pfarr were re-nominated to the Board, each a 4-year term. It was noted that engineers will be meeting in December to discuss the hospital (design) project so that in January it can be determined which phase of the project to start, as they are striving for a 'quality' facility. Physician recruitment continues, a nurse practitioner will be starting to see patients in both Henderson and Arlington; and it is anticipated that a pediatric nurse practitioner will be joining the team also.

Wills provided an update on the Library Committee. He reported that the used book sale went very well and plan to hold sales in January again. The Committee held a silent auction that was also very successful and plan to hold another next year.

Wills provided an update on the Fire Department Officers meeting. It was noted that the existing pagers are barely functioning and there are not many parts available anymore; new pagers are planned in 2016. Wills stated that (calls and meetings/trainings) attendance of the FD members had been discussed. Later in the month, they met with those members who were not compliant with attendance.



Battcher provided an update on the Planning & Zoning Committee. She stated that they are continuing in their discussions about complete streets.

Adm. Donabauer talked about an actuarial study. She stated that the Auditor/ABDO has informed the City that actuarial studies will have to be done as a new requirement associated with GASB auditing process. This study reviews both Fire and PERA pensions. Donabauer commented that PERA already pays ABDO to conduct the study; however, the City has to pay the Auditor to confirm the test and type 6-7 pages of Disclosure Notes to be included in the audit. She added that Financial Advisor Sweeney has informed her that the Fire Pension does not affect the City's credit rating and therefore does not require a study done. She noted that other cities were not paying to have studies done for Fire pensions and it was Staff's recommendation not to do one also. It was the consensus of the Council to not do a study in 2016, but revisit the topic as part of the 2017 Budget process.

Discussion was held on Seneca's private (gravel) road. Adm. Donabauer stated that Seneca no longer wishes to maintain the private road. She commented that it has benefitted the City to some degree (took large truck traffic off the city streets, etc.) in the past, but now that the plant is closed, it does not. The City has received complaints that the road is in poor condition. Adm. Donabauer feels it is not the City's responsibility to maintain the road. Seneca is willing to close the road and place signage, but is asking the City what it would like to see: signage, barricades, etc. It was the consensus that some signage should be placed on both ends of the road, and the City will not plow/maintain the road.

Attorney Arneson expressed concern about the huge pond of water in the alley behind the Methodist Church.

Adm. Donabauer stated that RS Fiber is applying for another grant through the Blandin Foundation. This grant would provide a 50% match to supply WiFi in public areas within each community. Discussion was held on possible locations and the cost associated therewith. Concern was expressed about the cost, and who should be responsible, solely the City or include the Chamber, School, organizations, and/or businesses as they would all benefit depending on where each access point was located. No action was taken.

Motion by Jaszewski, seconded by Battcher, and passed by unanimous vote to adjourn the meeting at 8:02 pm.

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City Administrator Liza M. Donabauer

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Mayor Richard Nagel