

Regular Meeting

Roll Call

Councilors Present: Carlson, Kolodge, Lamb, Swanson, Wilkinson, Mayor Maki

Councilors Absent: Langley

Pledge of Allegiance

FOND DU LAC FLAG PRESENTATION CEREMONY

Representatives of the Fond du Lac Reservation presented the City with the tribal flag and a drum ceremony in a gesture of two neighboring communities working together towards common goals.

AGENDA

MOTION: Councilor Swanson moved and Councilor Kolodge seconded the motion to approve the September 3, 2019 agenda. The motion carried unanimously (6-0).

MINUTES

MOTION: Councilor Lamb moved and Councilor Carlson seconded the motion to approve the Work Session minutes and Regular Meeting minutes of August 20, 2019 as presented. The motion carried unanimously (6-0).

CONSENT AGENDA

MOTION: Councilor Wilkinson moved and Councilor Swanson seconded the motion to adopt the Consent Agenda of September 3, 2019, approving the necessary motions and resolutions. The motion carried unanimously (6-0).

- a. Resolution No. 19-72, Authorizing the Payment of Bills and Payroll
- b. Sand Creek EAP, LLC, Employee Assistance Program Agreement Renewal
- c. Resolution No. 19-71, A Resolution Authorizing the Cloquet Police Department to Enter into a Grant Agreement in Partnership with the Carlton County Sheriff's Department and FDL Police Department to Act as the Primary Agency in the Administration of the Regional Towards Zero Deaths (TZD) Grant
- d. Minnesota Energy Resources Franchise Renewal
- e. Mountain Bike Trail Phase II Donation
- f. Resolution No. 19-76, A Resolution Entering into a Grant Agreement with the State of Minnesota
- g. Optional 2AM Liquor License Renewal – Lumberjack Lounge
- h. Resolution No. 19-73, Resolution Approving Off-Site Gambling for Eagles Aerie #1163
- i. Resolution No. 19-74, Resolution Approving Off-Site Gambling for the Wood City Riders Snowmobile Club

PUBLIC HEARINGS

Mayor Maki announced that now is the time and place for the public hearing for consideration to approve a resolution giving preliminary approval for the issuance of the City's General Obligation Capital Improvement Plan Bonds in an amount not to exceed \$1,500,000; and adopting the City of Cloquet, Minnesota, Capital Improvement Plan for 2019 through 2023.

City Administrator Reeves stated bids for the library expansion project came in higher than estimated. Mr. Reeves recommends Council not to adopt the resolution until the project is rebid with suggested addendums to the specifications. With no comments from the public, the hearing was closed.

MOTION: Councilor Kolodge moved and Councilor Lamb seconded the motion to table **RESOLUTION NO. 19-75, A RESOLUTION GIVING PRELIMINARY APPROVAL FOR THE ISSUANCE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS IN AN AMOUNT NOT TO EXCEED \$1,500,000; AND ADOPTING THE CITY OF CLOQUET, MINNESOTA, CAPITAL IMPROVEMENT PLAN FOR 2019 THROUGH 2023.** The motion carried (6-0).

A. WHEREAS, the City Council of the City of Cloquet, Minnesota (the "City") proposes to adopt the City of Cloquet, Minnesota, Capital Improvement Plan (the "Plan") and to issue

its general obligation capital improvement plan bonds (the "Bonds") described in the Plan; and

B. WHEREAS, the City has caused notice of the public hearing on the intention to issue the Bonds and on the proposed adoption of the Plan to be published pursuant to and in accordance with Minnesota Statutes, Section 475.521; and

C. WHEREAS, a public hearing on the intention to issue the Bonds and on the proposed Plan has been held on this date, following published notice of the public hearing as required by law; and

D. WHEREAS, in approving the Plan, the City Council considered for each project and for the overall Plan:

1. The condition of the City's existing infrastructure, including the projected need for repair and replacement;
2. The likely demand for the improvement;
3. The estimated cost of the improvement;
4. The available public resources;
5. The level of overlapping debt in the City;
6. The relative benefits and costs of alternative uses of the funds;
7. Operating costs of the proposed improvements; and
8. Alternatives for providing services more efficiently through shared facilities with other local governmental units; and

E. WHEREAS, the City Council has determined that the issuance of the Bonds is the best way to finance the capital improvements described in the Plan as authorized under Minnesota Statutes, Section 475.521.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cloquet, Minnesota, as follows:

1. The Plan is hereby in all respects approved.
2. The staff and consultants of the City are hereby authorized to do all other things and take all other actions as may be necessary or appropriate to carry out the Plan in accordance with any applicable laws and regulations.
3. The City gives preliminary approval to issuance of the Bonds in the maximum principal amount of \$1,500,000, provided that if a petition requesting a vote on issuance of the Bonds, signed by voters equal to five percent of the votes cast in the last general election, is filed with City Administrator by October 3, 2019, the City may issue the Bonds only after obtaining approval of a majority of voters voting on the question at an election.

MOTION: Councilor Wilkinson moved and Councilor Swanson seconded the motion to release addendums to the library expansion project for rebidding. The motion carried unanimously (6-0).

PRESENTATIONS

There were none.

PROVIDING FOR THE SALE OF GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS SERIES 2019A

MOTION: Councilor Carlson moved and Councilor Wilkinson seconded the motion to table **RESOLUTION NO. 19-77, A RESOLUTION PROVIDING FOR THE SALE OF \$1,275,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2019A** until Resolution No. 19-75 is approved at a future meeting following the release of addendums for the library expansion project rebidding. The motion carried unanimously (6-0).

A. WHEREAS, the City Council of the City of Cloquet, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$1,275,000 General Obligation Capital Improvement Plan Bonds, Series 2019A (the "Bonds"), to finance with a grant and donations, a new expansion and renovations to the existing public library in the City; and

B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cloquet, Minnesota, as follows:

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on October 15, 2019, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

CITY HALL / POLICE DEPARTMENT PROJECT COST UPDATE AND PAYMENT SOURCES

MOTION: Councilor Lamb moved and Councilor Kolodge seconded the motion to use city funds as presented by staff to pay for the City Hall/Police Department construction project. The motion carried unanimously (6-0).

SUPPORT FOR APPLICATION TO MNDOT FOR TRANSPORTATION AND ECONOMIC DEVELOPMENT (TED) PROGRAM FUNDING

MOTION: Councilor Swanson moved and Councilor Carlson seconded the motion to approve **RESOLUTION NO. 19-66, A RESOLUTION OF SUPPORT FOR APPLICATION TO THE MINNESOTA DEPARTMENT OF TRANSPORTATION (MNDOT) FOR TRANSPORTATION AND ECONOMIC DEVELOPMENT (TED) PROGRAM FUNDING TO CONSTRUCT REDUCED CONFLICT INTERSECTION (RCI) IMPROVEMENTS ON SOUTH HIGHWAY 33 IN THE VICINITY OF GILLETTE ROAD IN THE CITY OF CLOQUET, MINNESOTA**, the motion carried unanimously (6-0).

- A. WHEREAS, the City of Cloquet (applicant) in collaboration with MnDOT District 1, act as the legal sponsor for the project contained in the Transportation Economic Development (TED) Application to be submitted to MnDOT Central Office by September 6, 2019 and that the City Engineer is authorized to apply to MnDOT for funding of this project on behalf of the City of Cloquet; and
- B. WHEREAS, the City of Cloquet has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds and adequate construction of the proposed project; and
- C. WHEREAS, the City of Cloquet has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice; and
- D. WHEREAS, that upon approval of its application by the state, the City of Cloquet may enter into an agreement with the State of Minnesota for the above-referenced project, and that it will comply with all applicable laws and regulations as stated in all contract agreements; and
- E. WHEREAS, the City of Cloquet has committed \$285,000 in local option sales tax funding towards the thirty percent project local match requirement; and
- F. WHEREAS, the City of Cloquet certifies that it will comply with all applicable laws, regulations, and rules of the Application; and
- G. WHEREAS, that the sources and uses, private investors, equity, and other financing commitment represented in the attached document are accurate; and

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET AS FOLLOWS:

1. The City Engineer, or their successors in office are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the applicant.

SECTION 2.3.01 OF THE CITY CODE RELATED TO THE CABLE COMMISSION

MOTION: Councilor Wilkinson moved and Councilor Lamb seconded the motion to table **ORDINANCE NO. 484A, AN ORDINANCE FOR THE REPEAL OF CLOQUET CITY ORDINANCE NO. 455A**, an ordinance deleting section 2.3.01 of City Code as it relates to the Cable TV Commission. The motion carried unanimously (6-0).

NOW THEREFORE, The City Council of the City of Cloquet does hereby ordain as follows:

Section 1. Repealer

Ordinance No. 455A, An Ordinance Deleting Section 2.3.01 of the City Code as it Relates to the Cable T.V. Commission passed on May 3, 2016 and published May 12, 2016, is hereby repealed, and Section 2.3.01 of the Cloquet City Code, which has continued to exist and operate as a defacto section of the City Code, is hereby effectively and formally reinstated.

Section 2. Effective Date

This Ordinance shall take effect and be in force from and after its passage and publication.

APPROVAL OF 2020 PRELIMINARY BUDGET, CAPITAL IMPROVEMENT PLAN, AND PROPERTY TAX LEVY

MOTION: Councilor Kolodge moved and Councilor Wilkinson seconded the motion to table the approval of **RESOLUTION NO. 19-78, A RESOLUTION ADOPTING THE PROPOSED 2020 BUDGET; RESOLUTION NO. 19-79, A RESOLUTION ADOPTING SUMS OF MONEY PROPOSED TO BE LEVIED FOR LEVY YEAR 2019, PAYABLE IN 2020**; the adoption of the preliminary five (5) year Capital Improvement Plan for 2020-2024; and to set the date for a public hearing and adoption of the 2020 budget and property tax levy for December 3, 2019 at 7:00 p.m. The motion carried unanimously (6-0).

RESOLUTION NO. 19-78

WHEREAS, The City Administrator has prepared an annual budget and the City Council has reviewed the proposed 2020 budget; and

WHEREAS, Chapter 275, Section 065 of Minnesota Statutes requires that the City adopt a proposed 2020 levy and budget.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That there be and is hereby proposed to be set aside for the year 2020 for the following departments and funds as attached.

RESOLUTION NO. 19-79

BE IT RESOLVED, By the City Council of the City of Cloquet, Minnesota, that the following sums of money be levied for the levy year 2019, payable in 2020, upon taxable property in the City of Cloquet, for the following purposes:

<u>Fund</u>	<u>Levy</u>
General	\$2,215,000
Public Works Reserve	295,000
Library	400,000
GO Swimming Pond Debt	110,000
GO Facilities Debt – Library	90,000
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TOTAL LEVY	<u>\$3,110,000</u>

INTERIM CITY ADMINISTRATOR APPOINTMENT

MOTION: Councilor Swanson moved and Councilor Lamb seconded the motion to appoint Assistant City Administrator, James Baclay, as Interim City Administrator effective September 6, 2019, and the terms and conditions of the temporary appointment until the selection process is complete and a new City Administrator has been appointed and started his/her position with the City. The motion carried unanimously (6-0).

PUBLIC COMMENTS

Patty Murto, Esko resident, approached the Council regarding the Cable Commission, stating the other entities of the Cable Commission believe they are operating under the most current Joint Powers Agreement. Ms. Murto also stated she feels there is a conflict of interest with the City attorney providing legal advice on this issue when he also serves on the Cable Commission and is the attorney for the other cities as well.

David Johnson, 615 Chestnut Street, spoke to Council regarding the portion of the Washington Avenue street project between 14th Street and Highway 33 remaining unfinished. Mr. Johnson stated he has talked to the county, the project manager, and the city, and has not received adequate answers.

A representative from Johnson-Wilson Constructors, low bidder for the library expansion project, said it is a common process to have alternative rebids on a project and he agrees with the decision to rebid addendums.

COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES

Councilor Lamb stated she has been researching agendas of other cities and would like to move the public comments portion of the agenda to the beginning of the meeting prior to council making any approvals or decisions. Councilor Kolodge voiced his agreement. This will be discussed at the September 17th Work Session.

On a motion duly carried by a unanimous yea vote of all members present on roll call, the Council adjourned.

James Barclay, City Administrator