

Via Teleconference
7:00 P.M. September 1, 2020

Regular Meeting

DRAFT

Roll Call

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

Councilors Absent: None.

Pledge of Allegiance

AGENDA

MOTION: Councilor Wilkinson moved and Councilor Lamb seconded the motion to approve the September 1, 2020 agenda as presented. The motion carried unanimously (7-0).

MINUTES

MOTION: Councilor Lamb moved and Councilor Carlson seconded the motion to approve the minutes of the Work Session and Regular Meeting of August 18, 2020 as presented. The motion carried unanimously (7-0).

PUBLIC COMMENTS

City Administrator Peterson read an email submitted from Jeremy Johnson, 331 21st Street, regarding utility rates.

CONSENT AGENDA

MOTION: Councilor Wilkinson moved and Councilor Langley seconded the motion to adopt the Consent Agenda of September 1, 2020, approving the necessary motions and resolutions. The motion carried unanimously (7-0).

- a. Resolution No. 20-56, Authorizing the Payment of Bills and Payroll
- b. Optional 2 AM Liquor License Renewal – Lumberjack Lounge

PUBLIC HEARINGS

There were none.

PRESENTATIONS

There were none.

PROVIDING FOR THE SALE OF GENERAL OBLIGATION WATER AND SEWER REVENUE BONDS SERIES 2020A; AND ENTER INTO A CREDIT ENHANCEMENT PROGRAM AGREEMENT WITH THE MN PUBLIC FACILITIES AUTHORITY

MOTION: Councilor Kolodge moved and Councilor Lamb seconded the motion to approve **RESOLUTION NO. 20-57, RESOLUTION PROVIDING FOR THE SALE OF \$1,860,000 GENERAL OBLIGATION WATER AND SEWER REVENUE BONDS, SERIES 2020 and RESOLUTION NO. 20-59, RESOLUTION AUTHORIZING THE CITY TO ENTER INTO A CREDIT ENHANCEMENT PROGRAM AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY.** The motion carried unanimously (7-0).

RESOLUTION NO. 20-57

WHEREAS, the City Council of the City of Cloquet, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$1,860,000 General Obligation Water and Sewer Revenue Bonds, Series 2020A (the "Bonds"), to finance the construction of various improvements to the municipal water and sewer systems in the City; and

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 6, 2020, 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.

RESOLUTION NO. 20-59

WHEREAS, the City Council of the City of Cloquet, Minnesota (the "City") proposes to issue its General Obligation Water and Sewer Revenue Bonds (the "Bonds"), the proceeds of which will be used to finance the costs of construction, improvement or rehabilitation of water, sanitary sewer, and storm sewer facilities; and

WHEREAS, the City Council hereby determines it is in the best interests of the City to apply to the Minnesota Public Facilities Authority (the "Authority") for credit enhancement of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CLOQUET, MINNESOTA, as follows:

1. Approval of the Authority's Credit Enhancement Program Agreement. The Authority's Credit Enhancement Program Agreement (the "Agreement") is hereby approved, the same being before the City Council and made a part of this resolution by reference.
2. Authorization to Sign Agreement and Related Forms. The Mayor and the City Administrator are authorized to sign the Agreement on the City's behalf and to execute any other related forms prescribed by the Authority with respect to the Agreement.
3. Agreement to Comply with Minnesota Statutes, Section 446A.086. The City is entering into the Agreement with the Authority pursuant to Minnesota Statutes, Section 446A.086 (the "Act") and the City hereby agrees to comply with and be bound by the provisions of the Act.
4. Submission of the Agreement. The Mayor and the City Administrator are hereby authorized to submit, on the City's behalf, the Agreement to the Authority, together with the nonrefundable application fee in the amount of \$500.

CARES AID EXPENDITURES

MOTION: Councilor Swanson moved and Councilor Carlson seconded the motion to approve the use of CARES Aid for personal protective equipment, cleaning and sanitation supplies, police salaries, certain administrative salaries, and several employees placed on paid administrative leave during the "Stay at Home Order" that were not able to work remotely. The motion carried unanimously (7-0).

FEASIBILITY STUDY AND PUBLIC HEARING DATE FOR THE 14TH STREET IMPROVEMENTS

MOTION: Councilor Lamb moved and Councilor Langley seconded the motion to adopt **RESOLUTION NO. 20-58, ACCEPTING THE FEASIBILITY STUDY AND SETTING A PUBLIC HEARING DATE ON THE PROPOSED 2021/2022 IMPROVEMENT OF 14TH STREET** with a proposed hearing date of October 6, 2020. The motion carried unanimously (7-0).

WHEREAS, In accordance with the City of Cloquet's Capital Improvement Program and approved budget, preliminary plans and a feasibility study have been prepared for the improvement of 14th Street; and

WHEREAS, The feasibility study provides information regarding whether the proposed improvements are necessary, cost-effective and feasible; and

WHEREAS, It is anticipated that benefitted properties will be assessed for a portion of the project costs, pursuant to Minnesota Statutes, Chapter 429 and Chapter 12 of City Code.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:

1. That the Council will consider the reconstruction of 14th Street Utility Improvements in accordance with said feasibility study and the possible assessment of abutting property for a portion of the cost of the improvements pursuant to Minnesota Statute, Chapter 429 at an estimated total cost of \$2,414,000.
2. A public hearing shall be held on October 6, 2020, in a virtual meeting at 7:00 p.m.
3. The City Administrator shall give mailed and published notice of such hearing and improvement as required by law.

PINE VALLEY ARENA UPDATE AND CHANGE ORDER

MOTION: Councilor Carlson moved and Councilor Kolodge seconded the motion to approve the Pine Valley Arena change order not to exceed \$175,000 for a new concrete curb. The motion carried (6-1), Councilor Langley opposed.

CAFD BOARD CHAIR RESIGNATION DISCUSSION

City Administrator Peterson was notified that James Langenbrunner will be resigning from the CAFD Board due to relocation. Councilor Lamb currently serves as the alternate and will step in as a board member. The city will advertise the vacancy for appointment in January. Mr. Peterson thanked Mr. Langenbrunner for his time and service.

UTILITY RATE AND CIP DISCUSSION

City Administrator Peterson reviewed the proposed 2021 utility rates and capital improvement plans. Mr. Peterson explained there are four areas it encompasses; covering debt and bills, investing in our capital needs using cash, keeping utility rate increases as low as possible to avoid spikes in rate increases, and balancing the cost of utility rates with other communities across the state. We are where we need to be and are still able to invest in our community.

2021 PRELIMINARY BUDGET REVIEW

City Administrator Peterson stated the only changes to what was reviewed at the August 18th Council meeting will be updated information reflecting approval of the contract with Pine Knot, LLC for the operation of CAT-7 and the anticipated health insurance cost increase. The September 15th meeting will include setting the levy and a date for the truth and taxation hearing in December. Council had no questions or comments.

COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES

There were none.

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

Tim Peterson, City Administrator