



CITY OF CLOQUET

**City Council Agenda
Tuesday, July 6, 2021
6:00 p.m.**

1. **Roll Call**

2. **Pledge of Allegiance**

3. **Approval of Agenda**

- a. Approval of July 6, 2021, Council Agenda

4. **Approval of Council Minutes**

- a. Regular Council Minutes from the June 15, 2021 Meeting

5. **Public Comments**

Please give your name, address, and your concern or comments. Visitors may share their concerns with the City Council on any issue of public business. Each person will have 3 minutes to speak. The Mayor reserves the right to limit an individual or successive individual's presentation if they become redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the City Council. No action will be taken at this time.

6. **Consent Agenda**

Items in the Consent Agenda are considered routine and will be approved with one motion without discussion/debate. The Mayor will ask if any Council members wish to remove an item. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.

- a. Resolution No. 21-31, Authorizing the Payment of Bills and Payroll
b. Consideration of WLSSD Board Application - Schilling
c. Resolution No. 21-32, Approval of Exempt Permit to Conduct a Raffle Event for the Cloquet Youth Baseball/Softball Association

7. **Public Hearings**

Now is the time and place for the public hearing on the Issuance and Sale of Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2021 Relating to a Senior Housing and Healthcare Project

- Resolution No. 21-33, Providing for the Approval of a Housing Program and the Issuance and Sale of Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2021 Relating to a Senior Housing and Healthcare Project

8. **Presentations**

There are none.



**CITY OF CLOQUET
City Council Agenda
Tuesday, July 6, 2021**

9. **Council Business**
 - a. Approval of Personnel Policies Handbook Update Incorporating Juneteenth National Independence Day
 - b. Finance Director Retirement
10. **Council Comments, Announcements, and Updates**
11. **Adjournment**

Via Teleconference
6:00 P.M. June 15, 2021

DRAFT

Regular Meeting

Roll Call

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

Councilors Absent: None.

Pledge of Allegiance

AGENDA

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to approve the June 15, 2021 agenda. The motion carried unanimously (7-0).

MINUTES

MOTION: Councilor Kolodge moved and Councilor Carlson seconded the motion to approve the amended Regular Meeting minutes of June 1, 2021, reflecting Councilor Lamb as seconding the motion to keep the PLA, not Councilor Kolodge. The motion carried (7-0).

PUBLIC COMMENTS

There were none.

CONSENT AGENDA

MOTION: Councilor Lamb moved and Councilor Wilkinson seconded the motion to adopt the Consent Agenda of June 15, 2021, approving the necessary motions and resolutions. The motion carried unanimously (7-0).

- a. Resolution No. 21-29, Authorizing the Payment of Bills
- b. Approval of Labor Day Celebration Activities

PUBLIC HEARINGS

There were none.

PRESENTATIONS

There were none.

AWARD 2021 GRAVEL CRUSHING BID

MOTION: Councilor Swanson moved and Councilor Jaakola seconded the motion to authorize the purchase of approximately 3,000 cubic yards of Class 5 gravel from D&B Trucking in an amount not to exceed \$50,000. The motion carried unanimously (7-0).

RESCIND SICK LEAVE DURING COVID-19 PANDEMIC POLICY

MOTION: Councilor Kolodge moved and Councilor Wilkinson seconded the motion to rescind the City's temporary "Sick Leave During COVID-19 Policy" as of June 27, 2021. The motion carried unanimously (7-0).

CALLING FOR A PUBLIC HEARING ON THE PROPOSAL OF A HOUSING PROGRAM FOR, AND THE ISSUANCE OF, REVENUE BONDS PROJECT LABOR AGREEMENT DISCUSSION

MOTION: Councilor Lamb moved and Councilor Wilkinson seconded the motion to approve **RESOLUTION NO. 21-30, CALLING FOR A PUBLIC HEARING ON THE PROPOSAL OF A HOUSING PROGRAM FOR, AND THE ISSUANCE OF, REVENUE BONDS** on July 6, 2021. The motion carried unanimously (7-0).

(a) WHEREAS, Minnesota Statutes, Chapter 462C (the "Act"), confers upon cities the power to issue revenue bonds to finance or refinance a program for the purposes of planning, administering, making, or purchasing loans with respect to one or more multifamily housing developments within the boundaries of a city; and

(b) WHEREAS, the City Council of the City of Cloquet, Minnesota (the "City") has received a proposal from HADC Cloquet, LLC, a Minnesota limited liability company (the "Borrower"), whose sole member is Housing Alternatives Development Company, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), that the City assist in financing a Project described in Exhibit A, which will be located in the City, through the issuance of one or more series of taxable or tax-exempt revenue bonds or other obligations pursuant to the Act (the "Bonds"); and

(c) WHEREAS, before proceeding with consideration of the request of the Borrower it is necessary for the City to hold a public hearing on the proposal pursuant to the Act and Section 147(f) of the Code;

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

1. A public hearing on the proposal of the Borrower will be held at the time and place as determined by the City Administrator, which will be set forth in a Notice of Public Hearing substantially in the form attached hereto as Exhibit A (the "Notice").

2. On the basis of information available to the City, the general nature of the Project and an estimate of the principal amount of Bonds to be issued to finance the Project are described in the Notice.

3. The City Administrator is hereby authorized and directed to cause notice of the hearing to be given one publication in the official newspaper of the City and a newspaper of general circulation available in the City, not less than 15 days nor more than 30 days prior to the date fixed for the hearing, substantially in the form of the Notice, with such changes as required or approved by Taft Stettinius & Hollister LLP acting as bond counsel.

4. A draft copy of the housing finance program with proposed forms of all attachments and exhibits will be on file in the office of the City Administrator from the date the Notice of Public Hearing is published.

5. The Borrower has agreed and it is hereby determined that any and all costs incurred by the City in connection with the financing of the Project whether or not the Project is carried to completion will be paid by the Borrower.

6. Taft Stettinius & Hollister LLP, acting as bond counsel, is authorized to assist in the preparation and review of necessary documents relating to the Project, to consult with Borrower and the purchasers of the Bonds as to the maturities, interest rates and other terms and provisions of the Bonds and as to the covenants and other provisions of the necessary documents and submit such documents to the City for final approval.

7. Nothing in this Resolution or the documents prepared pursuant hereto shall authorize the expenditure of any municipal funds on the Project other than the revenues derived from the Project or otherwise granted to the City for this purpose. The Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property or funds of the City except the revenue and proceeds pledged to the payment thereof, nor shall the City be subject to any liability thereon. The holders of the Bonds shall never have the right to compel any exercise of the taxing power of the City to pay the outstanding principal on the Bonds or the interest thereon, or to enforce payment thereon against any property of the City, except such property as may be expressly pledged for the security of the Bonds. The Bonds shall recite in substance that the Bonds, including the interest thereon, are payable solely from the revenue and proceeds pledged to the payment thereof. The Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation.

2022 BUDGET

City Administrator Peterson reviewed the budget timeline and process and asked for Council input over the next weeks. A draft budget will be ready for review in August. Mr. Peterson is working with Ms. Klassen and department heads on how to allocate COVID revenue funds that will be received in 2021 and 2022. He also informed Council that Workers Comp insurance has increased substantially which cause initial estimates to show an 8% levy increase.

Councilor Lamb stated she would like to see conversations start between Carlton County and CAFD about a partnership with a community center in the new CAFD building.

FRANCHISE FEE DISCUSSION

Administrator Peterson asked for input from Council on moving forward with franchise fees this year or to wait until 2022. There are no funds going towards streets, utilities or infrastructure projects after 2021 and franchise fees are a way to move forward with budgeting and planning for future CIP projects. Mr. Peterson stated any franchise fee ordinance would specifically outline eligible uses.

Discussion followed on the best way to implement gas and electric utility fees. Councilor Kolodge stated the importance of being transparent on any increased utility fees so the public understands. Council agreed this is the best way to utilize franchise fees and to move ahead with the process of implementing.

COUNCIL COMMENTS, ANNOUNCEMENTS AND UPDATES

Councilor Wilkinson has received calls regarding the possibility of fencing around the Dunlap Island Park. Public Works Director Peterson stated there is no easy way to begin and end a fence and it may create more of a liability if some areas are fenced and others not. This was also a discussed by the Park Commission and decided against. There is an area around Dunlap Island that is not mowed that creates a natural buffer. People want to be by the water so we need to be careful not to block water access.

Mayor Maki stated Sr. Citizen's Day at Veterans Park was a success.

ADJOURNMENT

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

Tim Peterson, City Administrator



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Nancy M Klassen, CPA, CPFO, Finance Director *NMK*
Reviewed by: Tim Peterson, City Administrator
Date: July 1, 2021

ITEM DESCRIPTION: Payment of Bills and Payroll

Proposed Action

Staff recommends the Council move to adopt **RESOLUTION NO. 21-31, A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL.**

Background/Overview

Statutory Cities are required to have most claims authorized by the city council.

Policy Objectives

MN State Statute sections 412.271, Claims and Disbursements for Statutory Cities.

Financial/Budget/Grant Considerations

See resolution for amounts charged to each individual fund.

Advisory Committee/Commission Action

Not applicable.

Supporting Documents Attached

- a. Resolution Authorizing the Payment of Bills and Payroll
- b. Vendor Summary Report
- c. Department Summary Report

**CITY OF CLOQUET
COUNTY OF CARLTON
STATE OF MINNESOTA**

RESOLUTION NO. 21-31

A RESOLUTION AUTHORIZING THE PAYMENT OF BILLS AND PAYROLL

WHEREAS, The City has various bills and payroll each month that require payment.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That the bills and payroll be paid and charged to the following funds:

101	General Fund	\$	480,315.20
231	Public Works Reserve		5,089.90
600	Water - Lake Superior Waterline		46,725.20
601	Water - In Town		64,300.64
602	Sewer Fund		99,504.96
605	Stormwater		566.38
614	Cable TV		18,272.20
701	Employee Severance		150.10
	TOTAL:	\$	<u>714,924.58</u>

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET
THIS 6TH DAY OF JULY, 2021.**

ATTEST:

Roger Maki, Mayor

Tim Peterson, City Administrator

DATE: 06/30/2021
TIME: 10:30:56
ID: AP442000.WOW

CITY OF CLOQUET
VENDOR SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
112690	ALADTEC INC	0.00	2,547.00
113650	AMAZON.COM CREDIT	4,774.76	527.25
119700	ARROWHEAD CONCRETE WORKS, INC.	2,975.00	2,471.25
121250	THE JAMAR COMPANY	795.00	835.50
122958	AUTO ZONE, INC.	149.57	155.89
123150	B W DISTRIBUTING	1,084.81	188.98
125700	BEST OIL COMPANY	1,086.14	14,741.08
125900	BEST SERVICE	204.67	47.31
127200	CHARLES BOEDIGHEIMER	909.75	470.00
128900	BROCK WHITE	0.00	222.96
136850	CENTER POINT LARGE PRINT	794.52	132.42
137310	CENTURY LINK	4,008.49	251.06
137340	CHAMBERLAIN OIL CO., INC.	5,335.11	345.18
139025	CINTAS	2,415.95	205.94
139030	CINTAS CORPORATION NO 2	5,604.78	865.73
139800	CLOQUET AREA CHAMBER OF COMMER	35,690.25	5,143.30
140200	CITY OF CLOQUET - PETTY CASH	86.00	490.98
142100	CLOQUET MAIL STATION	621.73	8.77
142800	CLOQUET SANITARY SERVICE	9,504.29	105.68
142925	CLOQUET SERVICE CENTER	117.98	236.16
142950	CLOQUET SHAW MEMORIAL	116.15	3.00
145300	COMMUNITY PRINTING	3,122.05	21.95
145500	COMPENSATION CONSULTANTS, LTD	1,485.00	207.00
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	3,468.96
147600	EXELON CORPORATION	10,150.12	1,029.04
150100	D A L C O	4,280.44	1,258.39
150400	D E M C O	820.99	3,040.08
152775	DELTA DENTAL OF MINNESOTA	20,193.75	3,056.80
161675	EMC NATIONAL LIFE	10,402.26	1,446.01
161850	EMERGENCY AUTOMOTIVE TECH, INC	8,050.00	1,000.00
162640	ENVENTIS TELECOM INC	239.82	47.20
166625	FIRST AID CORP	1,420.64	194.24
170975	FRIENDS OF THE CLOQUET LIBRARY	39.05	40.27
171100	FRYBERGER, BUCHANAN, SMITH &	94,250.95	17,482.50
171800	GALE/CENGAGE LEARNING	763.00	130.90
174300	GLORY SHINE JANITORIAL CLEAN	8,400.00	1,050.00
175000	GOODIN COMPANY	0.00	43.97
175050	GOODPOINTE TECHNOLOGY LLC	0.00	780.00
175700	GRAINGER	1,910.68	85.92
179340	HAGENS GLASS & PAINT	8,302.50	98.98
180425	HARRIS COMPUTER SYSTEMS	506.05	150.00
180500	HAWKINS INC	30,127.68	9,132.14
184485	HUNT ELECTRIC	562.44	562.50
185900	IDEXX DISTRIBUTION CORP.	358.64	184.31

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CITY OF CLOQUET
VENDOR SUMMARY REPORT

PAGE: 2

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
186500	INDEPENDENT SCHOOL DISTRICT 94	37,545.00	18,772.50
187500	INGRAM LIBRARY SERVICES	562.51	299.90
195850	KIMINSKI PAVING INC	22,058.50	7,926.00
211400	MENARDS INC	2,213.80	215.67
211645	METERING & TECHNOLOGY SOLUTION	1,099.95	264.72
211700	METRO SALES, INC.	4,814.57	912.79
212400	MICHAUD DIST INC	93.50	44.00
212700	MID-STATE TRUCK SERVICE INC	5,950.03	334.09
220500	MN DEPT OF HEALTH	17,907.00	23.00
227750	MTI DISTRIBUTING, INC.	3,042.27	332.27
234600	NORTHERN BUSINESS PRODUCTS	3,193.83	296.66
238950	OCCUPATIONAL DEVELOPMENT	0.00	1,231.20
242850	PARSONS ELECTRIC LLC	6,221.29	3,854.75
243000	PATROL PC - A DIVISION OF	0.00	5,089.90
243500	PENWORTHY COMPANY	341.66	859.19
244300	BRENT BELICH	8,158.50	195.00
244975	PINE KNOT LLC	36,201.50	16,984.00
248650	THE PROJECT CENTER	47.94	164.90
260500	SCHINDLER ELEVATOR CORPORATION	3,048.96	844.83
261750	SEELYE PLASTICS, INC.	223.29	76.55
261800	SEH	31,019.80	2,205.00
264820	THE SMITH COMPANY INC	5,725.10	3,486.60
268100	STAR TRIBUNE	0.00	595.92
270200	SUPERIOR COMPUTER PRODUCTS INC	34,289.25	4,914.00
270300	SWAGIT PRODUCTIONS, LLC	6,625.00	1,325.00
271325	NANCY GETCHELL	5,111.81	85.00
271345	PUBLIC SAFETY EQUIPMENT LLC	0.00	254.00
276425	TRAFFIC CONTROL CORPORATION	0.00	348.00
278600	TWIN PORT MAILING	24,963.61	3,275.87
279100	U S BANK EQUIPMENT FINANCE	4,052.10	495.24
280400	ULLAND BROTHERS, INC.	4,710.42	2,782.82
281000	UNITED ELECTRIC COMPANY	605.00	12.58
281250	UNITED RENTALS	0.00	566.38
283700	USA BLUEBOOK	2,000.95	354.76
284875	VERIZON WIRELESS	3,724.19	245.11
286900	W L S S D	461,918.50	73,391.00
287800	WAL-MART COMMUNITY	623.27	96.61
287900	WAL-MART COMMUNITY	937.00	104.45
288150	WASTE MANAGEMENT NORTHERN MN	190.05	63.32
289015	WELLS FARGO CREDIT CARD	46,621.48	1,699.49
R0001090	K & A KLEANING INC - GO-KLEAN	0.00	300.00
R0001227	LAKES GAS COMPANY	342.00	85.50
R0001284	OFFICE OF MN IT SERVICES	172.00	34.40
R0001616	LIBBY LAW OFFICE, P.A.	5,120.00	4,880.00

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CITY OF CLOQUET
VENDOR SUMMARY REPORT

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
R0001700	TKDA	0.00	2,464.21
R0001822	KRISS PREMIUM PRODUCTS, INC	1,002.72	1,046.77
R0001828	FINDAWAY	0.00	44.99
R0002068	DARRIN BERG	0.00	100.00
R0002069	NICOLE DERUSHA	0.00	29.25
R0002070	NORTHERN MN EYECARE	0.00	187.78
R0002071	PREMIER THREE DEVELOPERS	0.00	13.60
R0002072	CHUCK SALO	0.00	107.25
TOTAL ALL VENDORS:			238,823.42

City of Cloquet
Vendor Summary Report Reconciliation
Invoices Due On/Before 7/6/2021

Bills	238,823.42
Less: CAFD	(9,010.68)
Less: Library	<u>(10,500.63)</u>
Bills approved	219,312.11
Other:	
Payroll	499,936.68
Payroll - benefits	<u>(4,324.21)</u>
Total Bills and Payroll Approved	<u><u>714,924.58</u></u>

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CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

GENERAL FUND			
00			
140200	CITY OF CLOQUET - PETTY CASH	86.00	-100.00
152775	DELTA DENTAL OF MINNESOTA	20,193.75	2,906.70
161675	EMC NATIONAL LIFE	10,402.26	1,417.51
			4,224.21
41	GENERAL GOVERNMENT		
127200	CHARLES BOEDIGHEIMER	909.75	235.00
139025	CINTAS	2,415.95	95.03
139030	CINTAS CORPORATION NO 2	5,604.78	98.33
140200	CITY OF CLOQUET - PETTY CASH	86.00	163.55
145500	COMPENSATION CONSULTANTS, LTD	1,485.00	207.00
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	412.46
150100	D A L C O	4,280.44	67.30
171100	FRYBERGER, BUCHANAN, SMITH &	94,250.95	17,482.50
175000	GOODIN COMPANY		43.97
212400	MICHAUD DIST INC	93.50	44.00
242850	PARSONS ELECTRIC LLC	6,221.29	219.38
270200	SUPERIOR COMPUTER PRODUCTS INC	34,289.25	4,517.00
278600	TWIN PORT MAILING	24,963.61	126.09
279100	U S BANK EQUIPMENT FINANCE	4,052.10	200.52
284875	VERIZON WIRELESS	3,724.19	245.11
289015	WELLS FARGO CREDIT CARD	46,621.48	1,591.66
R0001700	TKDA		2,464.21
R0002068	DARRIN BERG		100.00
	GENERAL GOVERNMENT		28,313.11
42	PUBLIC SAFETY		
112690	ALADTEC INC		2,547.00
125700	BEST OIL COMPANY	1,086.14	3,934.67
127200	CHARLES BOEDIGHEIMER	909.75	235.00
139025	CINTAS	2,415.95	63.12
139030	CINTAS CORPORATION NO 2	5,604.78	150.30
140200	CITY OF CLOQUET - PETTY CASH	86.00	97.25
142925	CLOQUET SERVICE CENTER	117.98	236.16
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	791.31
150100	D A L C O	4,280.44	67.29
161850	EMERGENCY AUTOMOTIVE TECH, INC	8,050.00	1,000.00
242850	PARSONS ELECTRIC LLC	6,221.29	219.38

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CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

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INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
42	PUBLIC SAFETY		
244300	BRENT BELICH	8,158.50	195.00
271325	NANCY GETCHELL	5,111.81	85.00
271345	PUBLIC SAFETY EQUIPMENT LLC		254.00
278600	TWIN PORT MAILING	24,963.61	36.02
279100	U S BANK EQUIPMENT FINANCE	4,052.10	188.42
287900	WAL-MART COMMUNITY	937.00	104.45
R0001284	OFFICE OF MN IT SERVICES	172.00	34.40
	PUBLIC SAFETY		10,238.77
43	PUBLIC WORKS		
123150	B W DISTRIBUTING	1,084.81	94.49
125700	BEST OIL COMPANY	1,086.14	3,056.17
125900	BEST SERVICE	204.67	15.00
128900	BROCK WHITE		172.98
137340	CHAMBERLAIN OIL CO., INC.	5,335.11	345.18
139030	CINTAS CORPORATION NO 2	5,604.78	274.31
142100	CLOQUET MAIL STATION	621.73	8.77
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	266.44
166625	FIRST AID CORP	1,420.64	107.12
175050	GOODPOINTE TECHNOLOGY LLC		780.00
211400	MENARDS INC	2,213.80	114.36
211700	METRO SALES, INC.	4,814.57	98.35
238950	OCCUPATIONAL DEVELOPMENT		1,231.20
242850	PARSONS ELECTRIC LLC	6,221.29	2,583.75
248650	THE PROJECT CENTER	47.94	164.90
264820	THE SMITH COMPANY INC	5,725.10	3,486.60
276425	TRAFFIC CONTROL CORPORATION		348.00
278600	TWIN PORT MAILING	24,963.61	36.02
280400	ULLAND BROTHERS, INC.	4,710.42	289.14
R0001227	LAKES GAS COMPANY	342.00	85.50
	PUBLIC WORKS		13,558.28
45	CULTURE AND RECREATION		
121250	THE JAMAR COMPANY	795.00	835.50
125700	BEST OIL COMPANY	1,086.14	1,291.70
125900	BEST SERVICE	204.67	32.31
137310	CENTURY LINK	4,008.49	184.86
139030	CINTAS CORPORATION NO 2	5,604.78	91.65

DATE: 06/30/21
TIME: 10:33:27
ID: AP443000.WOW

CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

PAGE: 3

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
GENERAL FUND			
45	CULTURE AND RECREATION		
140200	CITY OF CLOQUET - PETTY CASH	86.00	1.00
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	615.33
147600	EXELON CORPORATION	10,150.12	1,029.04
150100	D A L C O	4,280.44	1,123.80
166625	FIRST AID CORP	1,420.64	87.12
179340	HAGENS GLASS & PAINT	8,302.50	98.98
180500	HAWKINS INC	30,127.68	511.33
186500	INDEPENDENT SCHOOL DISTRICT 94	37,545.00	18,772.50
211400	MENARDS INC	2,213.80	37.97
227750	MTI DISTRIBUTING, INC.	3,042.27	332.27
260500	SCHINDLER ELEVATOR CORPORATION	3,048.96	844.83
261800	SEH	31,019.80	2,205.00
281000	UNITED ELECTRIC COMPANY	605.00	12.58
R0001822	KRISS PREMIUM PRODUCTS, INC	1,002.72	1,046.77
R0002070	NORTHERN MN EYECARE		187.78
	CULTURE AND RECREATION		29,342.32
46	COMMUNITY DEVELOPMENT		
139800	CLOQUET AREA CHAMBER OF COMMER	35,690.25	5,143.30
140200	CITY OF CLOQUET - PETTY CASH	86.00	29.18
145300	COMMUNITY PRINTING	3,122.05	21.95
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	58.92
278600	TWIN PORT MAILING	24,963.61	18.02
279100	U S BANK EQUIPMENT FINANCE	4,052.10	47.11
	COMMUNITY DEVELOPMENT		5,318.48
LIBRARY FUND			
00			
142950	CLOQUET SHAW MEMORIAL	116.15	3.00
170975	FRIENDS OF THE CLOQUET LIBRARY	39.05	40.27
			43.27
45	CULTURE AND RECREATION		
113650	AMAZON.COM CREDIT	4,774.76	527.25
136850	CENTER POINT LARGE PRINT	794.52	132.42

DATE: 06/30/21
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CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

PAGE: 4

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE
LIBRARY FUND			
45	CULTURE AND RECREATION		
139025	CINTAS	2,415.95	47.79
139030	CINTAS CORPORATION NO 2	5,604.78	48.00
142800	CLOQUET SANITARY SERVICE	9,504.29	105.68
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	735.83
150400	D E M C O	820.99	3,040.08
171800	GALE/CENGAGE LEARNING	763.00	130.90
174300	GLORY SHINE JANITORIAL CLEAN	8,400.00	1,050.00
184485	HUNT ELECTRIC	562.44	562.50
187500	INGRAM LIBRARY SERVICES	562.51	299.90
211700	METRO SALES, INC.	4,814.57	617.79
234600	NORTHERN BUSINESS PRODUCTS	3,193.83	296.66
242850	PARSONS ELECTRIC LLC	6,221.29	473.63
243500	PENWORTHY COMPANY	341.66	859.19
244975	PINE KNOT LLC	36,201.50	84.00
268100	STAR TRIBUNE		595.92
270200	SUPERIOR COMPUTER PRODUCTS INC	34,289.25	397.00
289015	WELLS FARGO CREDIT CARD	46,621.48	107.83
R0001090	K & A KLEANING INC - GO-KLEAN		300.00
R0001828	FINDAWAY		44.99
	CULTURE AND RECREATION		10,457.36
PUBLIC WORKS RESERVE			
42	PUBLIC SAFETY		
243000	PATROL PC - A DIVISION OF		5,089.90
	PUBLIC SAFETY		5,089.90
WATER - LAKE SUPERIOR WATERLIN			
51	STATION 2		
137310	CENTURY LINK	4,008.49	66.20
139030	CINTAS CORPORATION NO 2	5,604.78	24.30
175700	GRAINGER	1,910.68	13.08
180500	HAWKINS INC	30,127.68	4,082.26
185900	IDEXX DISTRIBUTION CORP.	358.64	184.31
242850	PARSONS ELECTRIC LLC	6,221.29	358.61
261750	SEELYE PLASTICS, INC.	223.29	76.55
288150	WASTE MANAGEMENT NORTHERN MN	190.05	63.32
	STATION 2		4,868.63

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CITY OF CLOQUET
 DEPARTMENT SUMMARY REPORT

PAGE: 5

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER - LAKE SUPERIOR WATERLIN			
52	LAKE SUPERIOR WATERLINE		
125700	BEST OIL COMPANY	1,086.14	799.60
128900	BROCK WHITE		49.98
139030	CINTAS CORPORATION NO 2	5,604.78	96.55
	LAKE SUPERIOR WATERLINE		946.13
WATER - IN TOWN SYSTEM			
00			
140200	CITY OF CLOQUET - PETTY CASH	86.00	300.00
R0002069	NICOLE DERUSHA		29.25
R0002071	PREMIER THREE DEVELOPERS		13.60
R0002072	CHUCK SALO		107.25
			450.10
49	CLOQUET		
119700	ARROWHEAD CONCRETE WORKS, INC.	2,975.00	2,471.25
122958	AUTO ZONE, INC.	149.57	155.89
123150	B W DISTRIBUTING	1,084.81	56.69
125700	BEST OIL COMPANY	1,086.14	982.00
139030	CINTAS CORPORATION NO 2	5,604.78	44.54
175700	GRAINGER	1,910.68	72.84
180500	HAWKINS INC	30,127.68	4,538.55
195850	KIMINSKI PAVING INC	22,058.50	7,926.00
211645	METERING & TECHNOLOGY SOLUTION	1,099.95	264.72
220500	MN DEPT OF HEALTH	17,907.00	23.00
280400	ULLAND BROTHERS, INC.	4,710.42	2,493.68
283700	USA BLUEBOOK	2,000.95	354.76
287800	WAL-MART COMMUNITY	623.27	96.61
	CLOQUET		19,480.53
54	BILLING & COLLECTION		
180425	HARRIS COMPUTER SYSTEMS	506.05	150.00
278600	TWIN PORT MAILING	24,963.61	2,987.68
279100	U S BANK EQUIPMENT FINANCE	4,052.10	59.19
	BILLING & COLLECTION		3,196.87

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CITY OF CLOQUET
 DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

WATER - IN TOWN SYSTEM			
57	ADMINISTRATION & GENERAL		
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	411.38
211700	METRO SALES, INC.	4,814.57	98.32
278600	TWIN PORT MAILING	24,963.61	36.02
	ADMINISTRATION & GENERAL		545.72
ENTERPRISE FUND - SEWER			
00			
286900	W L S S D	461,918.50	-10,505.00
			-10,505.00
55	SANITARY SEWER		
123150	B W DISTRIBUTING	1,084.81	37.80
125700	BEST OIL COMPANY	1,086.14	574.76
139030	CINTAS CORPORATION NO 2	5,604.78	37.75
211400	MENARDS INC	2,213.80	63.34
212700	MID-STATE TRUCK SERVICE INC	5,950.03	334.09
286900	W L S S D	461,918.50	83,896.00
	SANITARY SEWER		84,943.74
57	ADMINISTRATION & GENERAL		
147050	CONSOLIDATED TELEPHONE COMPANY	20,000.02	177.29
211700	METRO SALES, INC.	4,814.57	98.33
278600	TWIN PORT MAILING	24,963.61	36.02
	ADMINISTRATION & GENERAL		311.64
STORM WATER UTILITY			
59	OPERATIONS		
281250	UNITED RENTALS		566.38
	OPERATIONS		566.38

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CITY OF CLOQUET
DEPARTMENT SUMMARY REPORT

PAGE: 7

INVOICES DUE ON/BEFORE 07/06/2021

VENDOR #	NAME	PAID THIS FISCAL YEAR	AMOUNT DUE

CABLE TELEVISION			
45	CULTURE AND RECREATION		
162640	ENVENTIS TELECOM INC	239.82	47.20
244975	PINE KNOT LLC	36,201.50	16,900.00
270300	SWAGIT PRODUCTIONS, LLC	6,625.00	1,325.00
	CULTURE AND RECREATION		18,272.20
EMPLOYEE SEVERANCE			
45	EMPLOYEE VACATION & SICK		
152775	DELTA DENTAL OF MINNESOTA	20,193.75	150.10
	EMPLOYEE VACATION & SICK		150.10
CLOQUET AREA FIRE DISTRICT			
42	PUBLIC SAFETY		
125700	BEST OIL COMPANY	1,086.14	4,102.18
161675	EMC NATIONAL LIFE	10,402.26	28.50
R0001616	LIBBY LAW OFFICE, P.A.	5,120.00	4,880.00
	PUBLIC SAFETY		9,010.68
	TOTAL ALL DEPARTMENTS		238,823.42



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Tim Peterson, City Administrator *TP*
Date: July 6, 2021

ITEM DESCRIPTION: Consideration of WLSSD Appointment

Proposed Action

The City Council is asked to consider the application of interest from Rob Schilling to serve on the Western Lake Superior Sanitary District Board for a term expiring July 1, 2023. This seat is currently held by Archie Chelseth, who has informed of his resignation from the WLSSD Board after serving 3 terms.

Background/Overview

The Council has been advertising for interested residents to serve on this Board through the Pine Knot News, Duluth News Tribune, and City website, with the pending resignation of Mr. Chelseth. Mr. Schilling has worked as the Environmental Manager at Sappi for 10 years and is knowledgeable of the importance of the efficient operations of WLSSD being critical to Sappi's success.

The City has three residents appointed to the WLSSD Board. The other two seats are held by Dave Manderfeld and Loren Lilly.

Policy Objectives

To keep the various City boards, committees, and commissions at full membership as identified by the City Council or under Municipal Code. The membership of the WLSSD is defined under M.S. 458D.03, Subd. 2 of which the City of Cloquet shall select three members. Under Subd. 7 of this statute, each board member shall be a resident of the district and may, but need not be, an elected official.

Financial/Budget/Grant Considerations

There is no direct cost to the City regarding the appointment of this position.

Advisory Committee/Commission Action

None.

Supporting Documentation Attached

- Application



ADMINISTRATIVE OFFICES

101 - 14th Street, Cloquet MN 55720
 Phone: 218-879-3347 Fax: 218-879-6555
 www.cloquetmn.gov
 email: kstarnold@cloquetmn.gov

**Application for Appointment to
 Advisory Boards and Commissions**

Name: Rob Schilling		Date: 6/14/21	
Address Duluth MN 55810			
Email:			
Home Phone: 015	Work Phone: 218-879-0638	Cell Phone:	
How long have you lived in Cloquet? NA	Years/Months: NA	Which Ward? NA	
What Cloquet community activities have you been involved in? I have worked in the environmental department at Sappi for over 16 years and as Environmental Manager for the past 10 years.			
Please describe any previous experience you have which is similar to serving on a volunteer Advisory Board/Commission. I served 2 3-year terms on the Board of Directors for the Cloquet Chamber of Commerce and also the Saint Louis River Alliance.			
Do you have a preferred Board/Commission that you are interested in serving on?		Yes Yes	No
If yes, fill in the name of Board/Commission: WLSSD Board of Directors			
Would you consider an alternate appointment?		Yes	No No
If yes, which one?			
Please describe any schedule conflicts with the regular meeting schedules for the Board/Commissions i.e., routine travel, work schedules and the like. Nothing significant - committee meetings are during the work day and can be fit into my day.			
Why do you wish to be on a Board/Commission? Sappi is the largest industrial user of the WLSSD, both in loading and expense. As such, efficient operation of the WLSSD is critical to Sappi's success. Having worked with the sanitary district for many years in my role at Sappi, I am familiar with the people, the operation and the environmental issues that are critical to its operation.			
Please describe any other relevant information you would like us to know.			

*** Attach Additional Sheets, if necessary ***



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Tim Peterson, City Administrator *TCP*
Date: July 6, 2021

ITEM DESCRIPTION: Approval of Raffle Permit

Proposed Action

Staff recommends that the City Council move to adopt **RESOLUTION NO. 21-32, A RESOLUTION APPROVING EXEMPT PERMIT TO CONDUCT A RAFFLE EVENT FOR THE CLOQUET YOUTH BASEBALL/SOFTBALL ASSOCIATION.**

Background/Overview

The City has received an application from the Cloquet Youth Baseball/Softball Association for a raffle event to be held on July 24, 2021 at Braun Park, 1385 Lawrence Road.

Policy Objectives

Approval of application by local community is required under MN Statutes.

Financial/Budget/Grant Considerations

There is no cost to the City regarding the approval of the application nor does the City retain any fees for its consideration.

Advisory Committee/Commission Action

None.

Supporting Documentation Attached

- Resolution 21-32
- LG220 Application for Exempt Permit

MINNESOTA LAWFUL GAMBLING
LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

Application Fee (non-refundable)

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

ORGANIZATION INFORMATION

Organization Name: Cloquet youth Baseball / softball ASSOC. Previous Gambling Permit Number: _____

Minnesota Tax ID Number, if any: _____ Federal Employer ID Number (FEIN), if any: 41-1727460

Mailing Address: P.O. Box 45

City: Cloquet State: MN Zip: 55720 County: Carlton

Name of Chief Executive Officer (CEO): Jason Eckenberg

CEO Daytime Phone: _____ CEO Email: _____
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): cloquestbsa@gmail.com

NONPROFIT STATUS

Type of Nonprofit Organization (check one):

Fraternal Religious Veterans Other Nonprofit Organization

Attach a copy of one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

A current calendar year Certificate of Good Standing
 Don't have a copy? Obtain this certificate from:
 MN Secretary of State, Business Services Division Secretary of State website, phone numbers:
 60 Empire Drive, Suite 100 www.sos.state.mn.us
 St. Paul, MN 55103 651-296-2803, or toll free 1-877-551-6767

IRS income tax exemption (501(c)) letter in your organization's name
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
 If your organization falls under a parent organization, attach copies of both of the following:
 1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and
 2. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): Brawn Park

Physical Address (do not use P.O. box): 1385 Lawrence Road

Check one:
 City: Cloquet Zip: MN County: Carlton
 Township: _____ Zip: _____ County: _____

Date(s) of activity (for raffles, indicate the date of the drawing): July 24, 2021

Check each type of gambling activity that your organization will conduct:

Bingo Paddlewheels Pull-Tabs Tipboards Raffle

Gambling equipment for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to www.mn.gov/gcb and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)

**CITY APPROVAL
for a gambling premises
located within city limits**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print City Name: _____

Signature of City Personnel: _____

Title: _____ Date: _____

The city or county must sign before submitting application to the Gambling Control Board.

**COUNTY APPROVAL
for a gambling premises
located in a township**

The application is acknowledged with no waiting period.

The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print County Name: _____

Signature of County Personnel: _____

Title: _____ Date: _____

TOWNSHIP (if required by the county)
On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)

Print Township Name: _____

Signature of Township Officer: _____

Title: _____ Date: _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: *Jason D Eckenberg* Date: 4/20/2021

(Signature must be CEO's signature, designee may not sign)

Print Name: Jason D Eckenberg

REQUIREMENTS

Complete a separate application for:

- all gambling conducted on two or more consecutive days; or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

Financial report to be completed within 30 days after the gambling activity is done:
A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.

Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

MAIL APPLICATION AND ATTACHMENTS

Mail application with:

- a copy of your proof of nonprofit status; and
- application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**. Make check payable to **State of Minnesota**.

To: Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions?
Call the Licensing Section of the Gambling Control Board at 651-539-1900.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

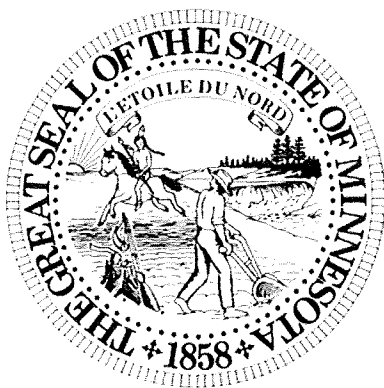
This form will be made available in alternative format (i.e. large print, braille) upon request.

**Office of the Minnesota Secretary of State
Certificate of Good Standing**

I, Steve Simon, Secretary of State of Minnesota, do certify that: The business entity listed below was filed pursuant to the Minnesota Chapter listed below with the Office of the Secretary of State on the date listed below and that this business entity is registered to do business and is in good standing at the time this certificate is issued.

Name: Cloquet Youth Baseball/Softball
Association, Inc.
Date Filed: 07/01/1983
File Number: W-335
Minnesota Statutes, Chapter: 317A
Home Jurisdiction: Minnesota

This certificate has been issued on: 04/20/2021



Steve Simon

Steve Simon
Secretary of State
State of Minnesota

**CITY OF CLOQUET
COUNTY OF CARLTON
STATE OF MINNESOTA**

RESOLUTION NO. 21-32

**A RESOLUTION APPROVING EXEMPT PERMIT
TO CONDUCT A RAFFLE EVENT FOR THE
CLOQUET YOUTH BASEBALL/SOFTBALL ASSOCIATION (CYBSA)**

WHEREAS, The City of Cloquet received an application from the Cloquet Youth Baseball/Softball Association (CYBSA) 1385 Lawrence Road, for an Exempt Permit to conduct a raffle event on July 24, 2021, at Braun Park, Cloquet.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, That the City Council has reviewed the application of the Cloquet Youth Baseball/Softball Association (CYBSA), for an Exempt Permit to conduct a raffle event on July 24, 2021, at Braun Park, 1385 Lawrence Road, and has no objection to the Minnesota Gambling Control Board's issuance of such permit.

BE IT FURTHER RESOLVED, That the Cloquet City Council hereby waives the normally required thirty day waiting period for the issuance of said permit.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CLOQUET THIS 6TH DAY OF JULY 2021.

Roger Maki, Mayor

ATTEST:

Tim Peterson, City Administrator



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Tim Peterson, City Administrator *TP*
Date: July 6, 2021

ITEM DESCRIPTION: Issuance and Sale of Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2021 Relating to a Senior Housing and Healthcare Project

Proposed Action

Staff recommends that the City Council move to approve **Resolution 21-33 PROVIDING FOR THE APPROVAL OF A HOUSING PROGRAM AND THE ISSUANCE AND SALE OF HOUSING FACILITIES REVENUE REFUNDING BONDS (HADC CLOQUET, LLC PROJECT), SERIES 2021 RELATING TO A SENIOR HOUSING AND HEALTHCARE PROJECT.**

Background/Overview

Minnesota Statutes, Chapter 462C gives cities the power to issue revenue bonds to finance or refinance a program for the purposes of planning, administering, making, or purchasing loans with respect to one or more multifamily housing developments within the boundaries of a city.

HADC Cloquet, LLC has proposed that it will use the proceeds of the Bonds to:

- (i) refund the outstanding principal balance of the Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2013A, issued by the City in the original aggregate principal amount of \$9,315,000, in order to refinance an integrated senior housing campus comprised of a 59-unit assisted living and care suites facility that is known as "Evergreen Knoll" and an immediately adjacent 24-unit senior independent living rental housing facility, that is known as "Evergreen Cottages";
- (ii) finance certain capital improvements to the Facilities,
- (iii) refund certain corporate indebtedness of the Borrower that was used to finance the acquisition, construction, and equipping of certain capital improvements to the Facilities, and
- (iv) pay all or a portion of the costs of issuance of the Bonds.

The aggregate estimated principal amount of the Bonds to finance the Project and related costs will be an amount not to exceed \$10,000,000.

The bonds, as and when issued, will not constitute a charge, lien, or encumbrance upon any property of the City. Such Bonds will not be a charge against the general credit or taxing powers of the City, but are payable from sums to be paid by the HADC Cloquet, LLC. pursuant to a revenue agreement.

Before proceeding with consideration of the request of the HADC Cloquet, LLC. it is necessary for the City to hold a public hearing on the proposal

Supporting Documents Attached

- Resolution 21-33
- Mortgage – emailed and available upon request
- Loan Agreement – emailed and available upon request
- Indenture of Trust – emailed and available upon request
- Preliminary Official Statement – emailed and available upon request
- Bond Purchase Agreement – emailed and available upon request

**CITY OF CLOQUET
COUNTY OF CARLTON
STATE OF MINNESOTA**

RESOLUTION NO. 21-33

**A RESOLUTION PROVIDING FOR THE APPROVAL OF
A HOUSING PROGRAM AND THE ISSUANCE AND SALE OF
HOUSING FACILITIES REVENUE REFUNDING BONDS
(HADC CLOQUET, LLC PROJECT), SERIES 2021
RELATING TO A SENIOR HOUSING AND HEALTHCARE PROJECT**

BE IT RESOLVED by the City Council of the City of Cloquet, Minnesota (the "City"), as follows:

1. Authority. The City is, by the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 462C, as amended (the "Act"), authorized to issue and sell its revenue bonds for the purpose of financing and refinancing the cost of housing and skilled nursing facilities for the elderly and disabled and to enter into agreements necessary or convenient in the exercise of the powers granted by the Act.

2. Authorization of Project; Documents Presented. HADC Cloquet, LLC, a Minnesota limited liability company (the "Borrower"), the sole member of which is Housing Alternatives Development Company, a Minnesota nonprofit corporation, has proposed that the City issue and sell its Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2021, in one or more series of tax-exempt and/or taxable bonds, in an aggregate principal amount not to exceed \$10,000,000 (the "Bonds") in substantially the form set forth in the Indenture (as hereafter defined) pursuant to the Act and loan the proceeds thereof to the Borrower, in order to (i) current refund the City's outstanding Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2013A, which proceeds were originally used to finance an integrated senior housing campus comprised of a 73-unit assisted living and memory care/care suites facility that is known as "Evergreen Knoll" and located at 1309 Fourteenth Street in the City (the "Assisted Living Facility") and an immediately adjacent 24-unit senior independent living rental housing facility, consisting of a community room and multiple residential buildings, that is known as "Evergreen Cottages" and located southwest of the corner of 14th Street and Evergreen Way in the City (the "Independent Living Facility" and, together with the Assisted Living Facility, the "Facilities"); (ii) refunding certain corporate indebtedness of the Borrower that was used to finance the acquisition, construction, and equipping of certain capital improvements to the Facilities, (iii) financing certain capital improvements to the Facilities, (iv) funding any necessary reserve account (except for the initial reserve fund deposit which will be satisfied by delivery of a reserve fund letter of credit), and (v) paying all or a portion of the costs of issuing the Bonds (collectively, the "Project"). The Facilities are and will be owned and operated by the Borrower. Forms of the following documents relating to the Bonds have been submitted to the City:

(a) The Loan Agreement (the "Loan Agreement") between the City and the Borrower, whereby the City agrees to make a loan of the proceeds of sale of the Bonds to the Borrower and pursuant to which agreement the Borrower agrees to finance the Project and to pay amounts in repayment of the loan sufficient to provide for the full and prompt payment of the principal of, premium, if any, and interest on the Bonds; and

(b) The Indenture of Trust (the "Indenture") between the City and U.S. Bank National Association, as trustee (the "Trustee"), authorizing the issuance of the Bonds and pledging certain revenues, including those to be derived from the Loan Agreement, as security for the Bonds, and setting forth proposed recitals, covenants and agreements relating thereto; and

(c) The Amended and Restated Combination Mortgage, Security Agreement and Fixture Financing Statement and Assignment of Leases and Rents (the "Mortgage") between the Borrower, as mortgagor, and the Trustee, as mortgagee, granting to the Trustee a first mortgage lien on and security interest in the Facilities as security for repayment of the Bonds (this document not executed by the City); and

(d) The Bond Purchase Agreement (the "Bond Purchase Agreement") between Colliers Securities LLC (the "Underwriter"), the Borrower, and the City, providing for the purchase of the Bonds from the City by the Underwriter and setting forth the terms and conditions of purchase; and

(e) The Preliminary Official Statement (together with the form of final Official Statement and the insertion of the final underwriting details of the Bonds, including the interest rates thereon, and any other changes deemed necessary or desirable, intended to constitute the form of the final Official Statement, and including all Appendices thereto (together the "Official Statement")), describing the offering of the Bonds, and certain terms and provisions of the foregoing documents relating to the Bonds.

3. Findings. It is hereby found, determined and declared that:

(a) Based on Borrower representations to the City, the Project constitutes a project authorized by and described in the Act as elderly rental housing and healthcare facilities.

(b) A public hearing on the Project and the housing finance program was held this same date, after notice was published in the official newspaper of the City not less than 15 days in advance of said public hearing, and materials were made available for public inspection at the City Hall, all as required by the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), at which public hearing all those appearing who desired to speak were heard and written comments were accepted.

(c) Pursuant to Section 462C.04 of the Act, the City made timely submission of the housing finance program to the Arrowhead Regional Development Commission for its review and comment, and the City has heretofore received no comment from the Arrowhead Regional Development Commission on such program.

(d) No public official of the City has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.

(e) There is no litigation pending or, to the City's actual knowledge, threatened against the City relating to the Bonds, the Loan Agreement, the Bond Purchase Agreement, or the Indenture (collectively, the "City Bond Documents") or questioning the due

organization of the City, or the powers or authority of the City to issue the Bonds and undertake the transactions contemplated hereby.

(f) The execution, delivery, and performance of the City's obligations under the City Bond Documents do not and will not violate any order of any court or other agency of government of which the City is aware or in which the City is a party, or any indenture, agreement, or other instrument to which the City is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument.

(g) It is desirable that the Bonds be issued by the City upon the terms set forth in the Indenture under the provisions of which the City's interest in the Loan Agreement will be pledged to the Trustee as security for the payment of principal of, premium, if any, and interest on the Bonds.

(h) Under the provisions of the Act, and as provided in the City Bond Documents, the Bonds are not to be payable from nor charged upon any funds other than amounts payable pursuant to the Loan Agreement and moneys in the funds and accounts held by the Trustee which are pledged to the payment thereof; the City is not subject to any liability thereon; no owners of the Bonds shall ever have the right to compel the exercise of the taxing power of the City to pay any of the Bonds or the interest thereon, nor to enforce payment thereof against any property of the City; the Bonds shall not constitute a general or moral obligation of the City or a charge, lien or encumbrance, legal or equitable, upon any property of the City (other than the interest of the City in the Loan Repayments to be made by the Borrower under the Loan Agreement); and each Bond issued under the Indenture shall recite that such Bond, including interest thereon, shall not constitute or give rise to a charge against the general credit or taxing powers of the City.

4. Approval and Execution of Documents. The form of the Bonds and the other City Bond Documents are approved. The City Bond Documents, together with such other documents necessary in connection therewith, are authorized to be executed in the name and on behalf of the City by the Mayor and the City Administrator at such time, if any, as they may deem appropriate, or executed or attested by other officers of the City, in substantially the form on file, but with all such changes therein, not inconsistent with the Act or other law, as may be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof; and then shall be delivered to the Trustee. Modifications to the form of Mortgage may be made at the discretion of the parties thereto.

5. Approval, Execution and Delivery of Bonds. The City is authorized to issue the Bonds, in an aggregate principal amount not to exceed \$10,000,000, in the form and upon the terms set forth in the Indenture which terms are for this purpose incorporated in this Resolution and made a part hereof; provided, however, that the initial aggregate principal amount of and the maturities of the Bonds, the interest rates thereon, and any provisions for the optional or mandatory redemption thereof shall all be as set forth in the final form of the Indenture to be approved, executed and delivered by the officers of the City authorized to do so by the provisions of this Resolution, which approval shall be conclusively evidenced by such execution and delivery. The Underwriter has agreed pursuant to the provisions of the Bond Purchase Agreement and subject to the conditions therein set forth, to purchase the Bonds at the purchase price set forth in the Bond

Purchase Agreement and said purchase price is hereby accepted. The Mayor, City Administrator, and other City officers are authorized to execute the Bonds as prescribed in the Indenture at such time, if any, as they may deem appropriate, and to deliver them to the Trustee, together with a certified copy of this Resolution and the other documents required by the Indenture for authentication, registration and delivery to the Underwriter.

6. Official Statement. As requested by the Underwriter, the City hereby consents to the circulation by the Underwriter of the Official Statement in offering the Bonds for sale; provided, however, that the City has not participated in the preparation of the Official Statement or independently verified the information in the Official Statement except with respect to the information under the heading "THE ISSUER" and with respect to litigation against the City relating to issuance of the Bonds (of which there is none) under the heading "ABSENCE OF MATERIAL LITIGATION--The Issuer" and takes no responsibility for, and makes no representations or warranties as to, the accuracy, completeness or sufficiency of such information.

7. Certificates, etc. The Mayor, City Administrator, and other officers of the City are authorized at such time, if any, as they may deem appropriate, to prepare and furnish to bond counsel and the purchaser of the Bonds, when issued, certified copies of all proceedings and records of the City relating to the Bonds, and such other affidavits and certificates as may be required to show the facts appearing from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

8. Housing Program. The housing program in substantially the form attached hereto as Exhibit A is hereby approved.

Adopted by the City Council of the City of Cloquet, Minnesota, this 6th day of July, 2021.

Mayor

ATTEST:

City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by member _____, and after full discussion thereof and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

EXHIBIT A

CITY OF CLOQUET, MINNESOTA

**AMENDED AND RESTATED
HOUSING FINANCE PROGRAM
HADC CLOQUET, LLC**

This housing finance program is undertaken by the City of Cloquet, Minnesota (the "City"), for a Project, hereinafter described, located within the City. All statements of fact and representations in this Housing Program are based solely on information provided to the City and representations made to the City by HADC Cloquet, LLC, a Minnesota limited liability company (the "Borrower"), whose sole member is Housing Alternatives Development Company, a Minnesota nonprofit corporation. The Project will be financed, in part, through the issuance by the City of one or more series of revenue bonds or other obligations (the "Bonds") pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Act"), and in accordance with a loan agreement (the "Loan Agreement") between the City and the Borrower, a Minnesota nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

The Project will consist of (i) current refunding of the outstanding principal balance of the Housing Facilities Revenue Refunding Bonds (HADC Cloquet, LLC Project), Series 2013A, issued by the City in the original aggregate principal amount of \$9,315,000, originally issued to finance an integrated senior housing campus comprised of a 62-unit assisted living and memory care/care suites facility that is known as "Evergreen Knoll" and located at 1309 Fourteenth Street in the City (the "Assisted Living Facility") and an immediately adjacent 24-unit senior independent living rental housing facility, consisting of a community room and multiple residential buildings, that is known as "Evergreen Cottages" and located southwest of the corner of 14th Street and Evergreen Way in the City (the "Independent Living Facility" and, together with the Assisted Living Facility, the "Facilities"); (ii) refunding certain corporate indebtedness of the Borrower that was used to finance the acquisition, construction, and equipping of certain capital improvements to the Facilities, (iii) financing certain capital improvements to the Facilities, (iv) funding any necessary reserve account (except for the initial reserve fund deposit which will be satisfied by delivery of a reserve fund letter of credit), and (v) paying all or a portion of the costs of issuing the Bonds (collectively, the "Project").

The Facilities will consist of the following units:

<u>Type</u>	<u>Location</u>	<u>Units</u>	<u>Per Unit Square Footage</u>	<u>Estimated Average Base Rent/Fees</u>
Assisted Living	1309 Fourteenth Street	39 units	480 to 906 ft	\$3,547/month
Care Suite/ Memory Care	1309 Fourteenth Street	23 units	253 to 300 ft	\$5,300/month

Independent Living (Cottages)	Southwest of the corner of 14th Street and Evergreen Way	2 BR/2BA 24 units	1,220 to 1,440 ft	\$2,137/month
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The City will issue the Bonds in one or more series of tax-exempt and/or taxable obligations to finance the full Project in a principal amount expected not to exceed \$10,000,000. The Borrower will be required, pursuant to the Loan Agreement, to make payments sufficient to pay when due the principal of, premium, if any, and interest on the Bonds. The Bonds may be structured so as to take advantage of whatever means are available or necessary and are permitted by law to enhance the security for and marketability of the Bonds. Substantially all of the net proceeds of the Bonds (the initial principal amount thereof, less any amounts deposited in a reasonably required reserve or paid out as costs of issuance of the Bonds) will be used to pay the costs of the Project, including any functionally related and subordinate facilities.

Because the Borrower is an organization described in Section 501(c)(3) of the Code, no allocation of authority to issue tax-exempt bonds is required pursuant to Minnesota Statutes, Chapter 474A. This Program is undertaken pursuant to Section 462C.05, subdivision 4 of the Act; the multifamily housing development is designed and used for rental occupancy primarily by the elderly.

Issuance of the Bonds is anticipated to be in July of 2021.

The Project will be carried out in accordance with applicable land use and development restrictions, and any new construction is subject to applicable state and local building codes. The Project is not inconsistent with any Housing Plan adopted by the City under Minnesota Statutes, Chapter 462C. The Borrower will be required to operate the Facilities in accordance with state and local anti-discrimination laws and ordinances.

The City has adequate existing capacity to administer, monitor, and supervise the Facilities, although the City has reserved the right to contract with other public agencies or private parties for these purposes.

The costs of the Facilities and the program of financing the Facilities, including specifically the costs of the City, generally will be paid or reimbursed by the Borrower.

Adopted by the City of Cloquet, July 6, 2021



ADMINISTRATIVE OFFICES

101 14th Street Cloquet, MN 55720-1903
Phone: 218.879.3347 Fax: 218.879.6555
www.cloquetmn.gov

REQUEST FOR COUNCIL ACTION

To: Mayor and City Council
From: Tim Peterson, City Administrator *TCP*
Date: July 6, 2021

ITEM DESCRIPTION: Personnel Policies Handbook Update

Requested Action

The City Council is asked to approve changes to the Personnel Policies Handbook incorporating the new federal holiday of “Juneteenth National Independence Day” as recently adopted by Congress and signed by the President into law making it the 12th federal holiday.

If approved HR will work with our union groups to develop LOU’s to amend our four union contracts recognizing this holiday.

Background/Overview

On June 15, 2021, the Senate passed a bill starting the quick process of making Juneteenth, or June 19th, a federal holiday commemorating the end of slavery in the United States.

Juneteenth, or June 19th, commemorates when the last enslaved African Americans learned they were free. Confederate soldiers surrendered in April 1865, but word didn’t reach the last enslaved black people until June 19th, when Union soldiers brought the news of freedom to Galveston, Texas. That was also about two years after the Emancipation Proclamation.

Policy Objectives

The objective to making this change is to align our Personnel Policy with federally recognized holidays. On federal holidays, all non-essential federal government offices, financial institutions, are closed for business and traditional many state and local government offices also remain closed to allow employees the opportunity to participate.

Financial/Budget/Grant Considerations

None

Supporting Documentation Attached

- Personnel Policies Handbook excerpt; update highlighted

SECTION 5, EMPLOYEE LEAVES

5.1 HOLIDAYS

Full-time City employees may observe certain holidays with pay unless such employees are required to be on regular duty. When a holiday falls on Sunday and it is customarily celebrated on the following Monday, such Monday shall be considered a holiday and any holiday that falls on a Saturday, the preceding Friday shall be a holiday. Employees required to be on duty on a holiday may be given compensatory time off and/or additional benefits.

Full-time employees shall receive eight (8) hours pay at their regular straight-time hourly rate or one day's salary for each of the following holidays they are not required to work:

- New Year's Day (January 1)
- Martin Luther King Day, (3rd Monday in January)
- President's Day, (3rd Monday in February)
- Memorial Day, (Last Monday in May)
- Juneteenth, National Independence Day (June 19)
- Independence Day (July 4)
- Labor Day (1st Monday in September)
- Veterans Day (November 11)
- Thanksgiving Day (4th Thursday in November)
- Day after Thanksgiving Day (Friday)
- Christmas Eve Day (December 24)
- Christmas Day (December 25)
- Personal Floating Holiday (as scheduled & approved by department head - cannot carry over into next year or receive pay in lieu of)

Regular part-time employees who work a minimum of 1040 hours per year will receive paid holidays on the same basis as regular full-time employees, in the event that they would normally have been scheduled to work on the observed holiday, except that holiday pay will be prorated according to the number of hours worked. Regular part-time employees working less than 1040 hours per year are not eligible for holiday pay. Temporary and seasonal employees are not eligible for holiday pay.

Employees wanting to observe holidays other than those officially observed by the city may request either vacation leave or unpaid leave for such time off.



ADMINISTRATIVE OFFICES

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www.cloquetmn.gov

Nancy M Klassen, CPA, CPFO
1717 West Chub Lake Road
Carlton, MN 55718

June 23, 2021

Tim Peterson
City Administrator
City of Cloquet
101 14th Street
Cloquet, MN 55720

Dear Tim Peterson,

I am excited to announce that I have picked October 1, 2021, for my retirement date. I feel very blessed to be able to retire at such an early age. I have enjoyed most of my 17 ½ years with the City and have worked with some wonderful people at the City. I leave the Finance Department with a very talented staff. I am looking forward to traveling, and most importantly, spending time with my family, especially my two beautiful granddaughters.

My last day with the City will be Thursday September 30, 2021.

I wish the City and all its employees much success in the coming years.

Sincerely,

Nancy M Klassen, CPA, CPFO
Finance Director
City of Cloquet