

A regular meeting of the City Council of Canby, Minnesota was held on October 18<sup>th</sup>, 2011 at 7:00 P.M.

Members: Gene Bies, Nancy Bormann, Denise Hanson, Rick Bueltel, Gene Eilers

Absent: None

Visitors: Nicholas Johnson, City Administrator  
Gerald Boulton, City Attorney  
Ellie Beman, Canby News  
Cliff Sillerud  
Chris Husby  
Jody Olson  
Paul Schmitz  
Moriah Hoffman

The Pledge of Allegiance was recited.

The meeting was called to order.

The minutes of October 4<sup>th</sup> were reviewed. A motion was made by Hanson and seconded by Eilers to approve the minutes. All voted in favor. None voted against. The motion was carried.

An invoice from Bolton and Menk in the amount of \$59,260.60 related to the Infrastructure Project was reviewed. A motion was made by Bormann and seconded by Eilers to approve the invoice. All voted in favor. None voted against. The motion was carried.

An invoice from American Engineering Testing, Inc. in the amount of \$6,753.00 related to the Infrastructure Project was reviewed. A motion was made by Bormann and seconded by Bueltel to approve the invoice. All voted in favor. None voted against. The motion was carried.

Cliff Sillerud was present to ask permission from the Council to mount a fixed projection screen in the community center. This screen would be available for anyone to use. A motion was made by Hanson and seconded by Eilers to approve the request. All voted in favor. None voted against. The motion was carried.

Gene Bies discussed forming a cemetery committee to discuss improvements which could be made. The consensus of the Council was to go forward with gathering information on forming a cemetery committee.

The Council discussed a three percent increase to utility rates for 2012. The three percent increases are necessary due to the Infrastructure Project. These increases were projected by Ehlers during the planning phase of the project. A motion was made by Eilers and seconded by Bormann approve the utility rate increase. All voted in favor. None voted against. The motion was carried.

Nicholas presented a draft dress code policy for Council review. The Council engaged in discussion on the draft policy. No action taken.

An Exempt from Gambling permit from MN West Foundation was reviewed. A motion was made by Hanson and seconded by Bormann to approve the permit. All voted in favor. None voted against. The motion was carried.

An Exempt from Gambling permit from St. Peter's Catholic Church was reviewed. A motion was made by Eilers and seconded by Bueltel to approve the permit. All voted in favor. None voted against. The motion was carried.

Paul Schmitz was present to request an Off-Sale Liquor License. He is purchasing the liquor store from Mike Frank. A motion was made by Bormann and seconded by Hanson to approve the license provided the following conditions are met:

1. Application and all forms be filled out in full and accurately
2. Liquor liability insurance be obtained and proof submitted
3. License fee be paid
4. A background check be completed and passed

Resolution 2011-10-18-1, a resolution providing for the prepayment and redemption of certain outstanding general obligation bonds of the city, was reviewed. A motion was made by Eilers and seconded by Bormann to approve the resolution. All voted in favor. None voted against. The motion was carried.

#### RESOLUTION NO. 2011-10-18-1

#### RESOLUTION PROVIDING FOR THE PREPAYMENT AND REDEMPTION OF CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE CITY

BE IT RESOLVED By the City Council of the City of Canby, Yellow Medicine County, Minnesota, as follows:

1. The City has issued and sold its General Obligation Taxable Tax Increment Bond, Series 2002, dated September 1, 2004 (the "Bonds") in the total principal amount of \$175,000. Bonds maturing on December 1, 2011 or thereafter, are subject to redemption and prepayment on December 1, 2011 and on any day thereafter at a price of par plus accrued interest.
2. It is determined that it is in the best interests of the sound financial management of the City that Bonds maturing on December 1 in the years 2011 and 2015 comprising all of the Bonds subject to redemption, be prepaid and redeemed on December 1, 2011 and those Bonds are hereby called for redemption on that date.

3. The Registrar is authorized and directed to publish, in accordance with law, a notice of call for redemption of the Bonds in the form attached hereto as Exhibit A and to mail a copy of the notice to the original purchaser of the Bonds.

Attest:

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Mayor

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City Administrator

EXHIBIT A

NOTICE OF CALL FOR REDEMPTION

\$175,000

GENERAL OBLIGATION TAXABLE TAX INCREMENT BOND, SERIES 2004  
CITY OF CANBY  
YELLOW MEDICINE COUNTY, MINNESOTA

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Canby, Yellow Medicine County, Minnesota, there have been called for redemption and prepayment on

December 1, 2011

all outstanding bonds of the City designated as General Obligation Taxable Tax Increment Bond, Series 2004, dated September 1, 2004, having stated maturity dates of December 1 in the years 2011 and 2015, both inclusive, totaling \$105,000 in principal amount, and with the following CUSIP numbers:

<u>Year</u>	<u>Amount</u>	<u>CUSIP Number</u>
2011	\$20,000	137339 ER 4
2015	\$85,000	137339 EV 5

The bonds are being called at a price of par plus accrued interest to December 1, 2011, on which date all interest on said bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at the main office of Northland Trust Services, Inc., in the City of Minneapolis, Minnesota, on or before December 1, 2011.

If by mail:

Northland Trust Services, Inc.  
45 South 7<sup>th</sup> Street, Suite 2000  
Minneapolis, MN 55402

If by hand:

Northland Trust Services, Inc.  
45 South 7<sup>th</sup> Street, Suite 2000  
Minneapolis, MN 55402

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 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 Registrar will not be responsible for the selection or use of the CUSIP number, nor is any representation made as to the correctness indicated in the Redemption Notice or on any Bond. It is included solely for convenience of the Holders.

Additional information may be obtained from:

Northland Trust Services, Inc.  
45 South 7<sup>th</sup> Street, Suite 2000  
Minneapolis, MN 55402  
(612) 851-5985

Dated: October 18, 2011.

BY ORDER OF THE CITY COUNCIL

By: \_\_\_\_\_  
City Administrator  
City of Canby, Minnesota

Nicholas Johnson discussed making changes to the phone system the City uses. These changes would happen on the service end. A motion was made by Hanson and seconded by Bueltel to approve the phone system changes. All voted in favor. None voted against. The motion was carried.

Tarring Humphrey Drive was discussed. No action taken.

Nicholas Johnson announced that the special assessment hearing for the parking lot project would take place on November 15<sup>th</sup> at 6:30 P.M.

Nicholas Johnson discussed budgetary items for Council to consider in 2012. These items included compensation for John Meyer's consultation services, street sealing adjustments, painting the pool, and donations to other organizations. No action taken.

The Council discussed moving the start time of the November 1<sup>st</sup> Council meeting to accommodate those who would wish to attend the Girls' Volleyball game. The consensus of the Council was to move the starting time of the November 1<sup>st</sup> meeting to 5:30 P.M.

A motion was made by Bueltel and seconded by Eilers to adjourn to closed session for contract negotiations. All voted in favor. None voted against. The motion was carried.

A motion was made by Bueltel and seconded by Bormann to adjourn the closed session and reopen the meeting. All voted in favor. None voted against. The motion was carried.

A motion was made by Eilers and seconded by Bormann to adjourn the meeting. All voted in favor. None voted against. The motion was carried.

Attest:

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Mayor

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City Administrator