

A regular meeting of the City Council for the City of Canby, Minnesota was held on April 3rd, 2012 in the City Council Chambers at 7:00 P.M.

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

Absent: None

Visitors: Nicholas Johnson, City Administrator
Gerald Boulton, City Attorney
John Meyer, Ph.D., Financial Consultant
Chris Husby, Street Supervisor
Dean Helstrom, City Engineer
Ellie Beman, Canby News
Kathie Behrens, Pioneerland Library
Beverly Benz, Pioneerland Library

The Pledge of Allegiance was recited.

The meeting was called to order.

The public hearing related to the vacation of an alley between Lot 12, Block 9 of Swenson's 3rd Addition and Lot 7, Block 84 of Canby Land and Lot Company Addition was opened.

There were no attendees for the public hearing regarding the vacation of said alley. Council and city staff commented they had talked to citizens about the vacation and heard no opposition. The alley is unused, has no utilities underneath, and is not plowed during the winter.

A motion was made by Bueltel and seconded by Bormann to close the public hearing. All voted in favor. None voted against. The motion was carried. The public hearing was closed at 7:05 P.M.

The minutes of March 20th, 2012 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.

Ordinance 308, an ordinance relating to the vacation of a certain portion of an alley within the City of Canby, Minnesota, was reviewed. A motion was made by Eilers and seconded by Bueltel to introduce ordinance 308. All voted in favor. None voted against. The motion was carried.

John Meyer discussed TIF 1-23 for the Helena project. Soil conditions were found in the land where the project is taking place. In order to assist with remediation of the soils the TIF district needs to be changed from an economic development district to a soil district.

Resolution 2012-4-3-1, a resolution to decertify TIF district 1-23, was reviewed. A motion was made by Bormann and seconded by Hanson to approve the resolution. All voted in favor. None voted against. The motion was carried.

City of Canby
Resolution No. 2012-4-3-1

A RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT
FINANCING DISTRICT NUMBER 1-23 OF THE CITY OF CANBY

WHEREAS, on November 15, 2011 the City of Canby the “Authority” in and for the City of Canby (the “City”) created Tax Increment Financing District Number 1-23 (the “District”) within Development District Number 1 (the “Project”); and,

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and,

WHEREAS, the Authority by this resolution to cause the decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Canby, Minnesota that staff shall take such action as is necessary to cause the County Auditor of Yellow Medicine County to decertify the District as a tax increment district and to no longer remit tax increment payable 2013 from the District to the City.

Dated this 3rd day of April, 2012.

Attest:

Mayor

City Administrator

Resolution 2012-4-3-2, a resolution calling for a public hearing on the adoption of a TIF plan for TIF district 1-24, was reviewed. A motion was made by Eilers and seconded by Bueltel to approve the resolution. All voted in favor. None voted against. The motion was carried.

City of Canby
Resolution No. 2012-4-3-2

RESOLUTION CALLING FOR A PUBLIC HEARING ON THE ADOPTION OF A TAX
INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING
DISTRICT NO. 1-24

WHEREAS, on June 17, 1985 the City of Canby (City) established a development district (Development District No. 1) pursuant Minnesota Statutes, Sections 469.124 through 469.134, to promote development and redevelopment within an area of the City which had not been developed to its full potential; and

WHEREAS, the CITY wishes to create a tax increment financing plan (Plan) for TIF District No. 1-24 in order to authorize the expenditure of tax increment for certain public improvements.

NOW, THEREFORE, BE IT RESOLVED By the City Council of the City of Canby, Canby, Minnesota as follows:

- 1 John W. Meyer is authorized and directed to prepare a Plan for TIF District No. 1-24.
- 2 The City Council shall hold a public hearing on the Plan on May 1, 2012, starting at 7:00 p. m. in the city council chambers at city hall.
- 3 The John W. Meyer is authorized and directed to prepare a notice of the public hearing and cause the notice to be published in the official newspaper at least 10 days prior to the public hearing.
- 4 The John W. Meyer is authorized and directed to transmit a copy of the Plan to the county and school district with a notice of the time and place of the public hearing to be held before the Board.
- 5 The city staff and John W. Meyer are authorized and directed to take any and all other steps reasonably necessary in order to accomplish these purposes.

Dated this 3rd day of April, 2012

Attest:

Mayor

City Administrator

John Meyer discussed a request from Canby Farmers Grain to amend their TIF district to help provide assistant for new construction. Resolution 2012-4-3-3, a resolution calling for a public hearing on the adoption of a modified TIF plan for TIF district 1-4, was reviewed. A motion was made by Bueltel and seconded by Bormann to approve the resolution. All voted in favor. None voted against. The motion was carried.

City of Canby
Resolution No. 2012-4-3-3

RESOLUTION CALLING FOR A PUBLIC HEARING ON THE ADOPTION OF A
MODIFIED TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING
DISTRICT NO. 1-4

WHEREAS, on June 17, 1985 the City of Canby (City) established a city development district (Development District No. 1) pursuant Minnesota Statutes, Chapter 472A, now Sections 469.124 through 469.134, to promote development and redevelopment within an area of the City which had not been developed to its full potential; and

WHEREAS, on December 2, 1997 the City also established a tax increment financing district (TIF District No. 1-4) within Development District No. 1 to assist a project which would not have occurred without public assistance; and

WHEREAS, on March 19, 2001 the City authorized modification number 1 to the tax increment financing district; and

WHEREAS, the City wishes to further modify the tax increment financing plan (Plan) for TIF District No. 1-4 in order to authorize the expenditure of tax increment for certain public improvements.

NOW, THEREFORE, BE IT RESOLVED By the City Council of the City of Canby, Minnesota as follows:

- 1 John W. Meyer is authorized and directed to prepare the modified Plan (Modification Number 2) for TIF District No. 1-4.
- 2 The city council shall hold a public hearing on the modified Plan on May 15, 2012 starting at 7:00 p.m. in the council chambers at city hall.
- 3 The John W. Meyer is authorized and directed to prepare a notice of the public hearing and cause the notice to be published in the official newspaper at least 10 days prior to the public hearing.
- 4 The John W. Meyer is authorized and directed to transmit a copy of the modified Plan to the county and school district with a notice of the time and place of the public hearing to be held before the city council.
- 5 The city staff and John W. Meyer are authorized and directed to take any and all other steps reasonably necessary in order to accomplish these purposes.

Dated this 3rd day of April, 2012

Attest:

Mayor

City Administrator

Resolution 2012-4-3-4, a resolution authorizing the issuance, establishing the terms and providing for the sale of \$925,000 G.O. TIF bonds, was reviewed. A motion was made by Hanson and seconded by Eilers to approve the resolution. All voted in favor. None voted against. The motion was carried.

City of Canby
Resolution No. 2012-4-3-4

RESOLUTION AUTHORIZING THE ISSUANCE, ESTABLISHING THE
TERMS AND PROVIDING FOR THE SALE OF \$925,000 GENERAL
OBLIGATION TAX INCREMENT FINANCING BONDS, SERIES 2012A

BE IT RESOLVED, by the City Council of the City of Canby, Minnesota (the “City”), as follows:

1. Authorization of Bonds. It is hereby found, determined, and declared to be necessary, and in the best interests of the City and its residents, that the City should issue \$925,000 General Obligation Taxable Tax Increment Bonds, Series 2012A (the “Bonds”), pursuant to Minnesota Statutes, Chapter 475, Section 469.178, Subdivision 2, for the purpose of providing funds to support tax increment financing expenditures for activities in Tax Increment Finance District 1-24 and 1-4.
2. Term and Conditions of the Bonds. The terms and conditions of the Bonds and the sale thereof are set forth in the Official Terms of Offering, a copy of which is attached hereto as Exhibit A. Each and all of the terms and conditions set forth in the Official Terms of Offering are adopted and confirmed as the terms and conditions of the Bonds and the sale thereof, and the City Council shall meet at the time and place fixed therein to consider the bids for the purchase of the Bonds.
3. Sale of the Bonds. John W. Meyer is authorized and directed to negotiate the sale of the Bonds as permitted by Minnesota Statutes, Section 475.60, Subdivision 2(2) and (9).

Dated this 3rd day of April, 2012

Attest:

Mayor

City Administrator

John Meyer updated the Council on the progress of the grant for the LED lighting project. An application for federal assistance to help with the Canby Theatre and street lighting needs approval to be submitted in order to go forward. A motion was made by Bueltel and seconded by Bormann to approve submission of the application to Rural Business Enterprise. All voted in favor. None voted against. The motion was carried.

Kathie Behrens and Beverly Benz were present to discuss painting a mural on the eastern wall of the Library (Oscar Avenue North) and would like permission from the City to have it done. The painting will be done by a professional painter with grant money from the Legacy fund. They will meet with Council once a design has been selected. A motion was made by Bormann and

seconded by Hanson to grant permission to paint the mural. All voted in favor. None voted against. The motion was carried.

Dean Helstrom was present to discuss the inflow and infiltration study. The report concluded the highest area of inflow and infiltration was study area 2, with study area 1 seeing high spikes as well. Study area 3 also saw issues, but not to the extent of areas 1 and 2. The report is on file in the city offices for review.

Dean Helstrom discussed possible future infrastructure project areas and putting together a preliminary engineering report. The Council tabled the issue to give it more thought.

Dean Helstrom and Chris Husby discussed a soy based street sealant as the preferred method of sealing the new streets. Asphalt is a porous substance. The sealant penetrates into these pores and seals them shut keeping moisture from getting in. Current slurry-and-chip sealing methods only coat the top surface and must be reapplied every 5 years or so. The soy based sealant, if done within a couple years of new surfacing, has the potential to extend the need to seal coat out to 8 to 10 years.

Chris Husby was present to discuss purchasing a vacuum trailer to clean out storm catch basins. Nicholas Johnson stated funds from the Storm Sewer account could be used as a source to purchase the equipment. Quotes from Mac Queen Equipment and Flexible Pipe were gathered. Mac Queen Equipment had the lowest quote of \$25,000. A motion was made by Bueltel and seconded by Bormann to approve the purchase of a vacuum trailer from Mac Queen Equipment. All voted in favor. None voted against. The motion was carried.

The Council discussed the draft personnel policy. Council expressed safety concerns over allowing shorts to be worn. They would like to see the shorts option reduced to only during meter reading. There was also a question on conflict of interest and whether a dollar amount should be included. Gerald Boulton will check into the matter further and relay his findings to Nicholas Johnson.

Nicholas Johnson updated the Council on the progress of the sidewalk inventory.

Election judge pay was discussed. Currently the election judges are paid minimum wage. A motion was made by Bueltel and seconded by Hanson to make no increase to election judge pay. All voted in favor. None voted against. The motion was carried.

The vendor transactions for March 2012 were reviewed in the amount of \$143,733.51. A motion was made by Bormann and seconded by Bueltel to approve the vendor transactions. All voted in favor. None voted against. The motion was carried.

Larry Weber has expressed interest in filling the open vacancy on the Planning Commission. A motion was made by Eilers and seconded by Hanson to appoint Larry Weber to the Planning Commission. All voted in favor. None voted against. The motion was carried.

Gene Bies discussed the cleanup of a certain properties in town where junk is accumulating.

Gene Eilers discussed allowing citizens to place items on the boulevard prior to the City Wide Cleanup days so people can rummage and take items they wish. Nicholas Johnson will speak with city staff to see if this can be arranged.

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

Attest:

Mayor

City Administrator