

MINUTES, REGULAR MEETING  
CITY COUNCIL, CITY OF LA CRESCENT, MINNESOTA  
MAY 18, 2020

Pursuant to due call and notice thereof, the first meeting of the City Council of the City of La Crescent for the month of May was called to order by Mayor Mike Poellinger at 5:30 PM in the La Crescent City Hall, La Crescent, Minnesota, on Monday, May 18, 2020.

Pursuant to Minn. Stat. § 13D.021 and due to the COVID-19 pandemic, members of the City Council and City Staff were given the option to attend the meeting by telephone. Upon a roll call taken and tallied by the City Administrator, the following members were present: Members Ryan Hutchinson (via telephone), Cheryl Jostad, Teresa O'Donnell-Ebner, Dale Williams and Mayor Mike Poellinger. Members absent: None. Also present was City Administrator Bill Waller, City Attorney Skip Wieser, City Engineer Tim Hruska, City Administrative Assistant Angie Boettcher, and Tammy Omdal (via telephone) from Northland Securities.

Mayor Poellinger asked if anyone wished to take action to change the agenda as presented. There were no changes requested.

**ITEM 1 – CONSENT AGENDA**

At this time, the Mayor read the following items to be considered as part of the Consent Agenda for this regular meeting:

- 1.1 MINUTES – APRIL 27, 2020
- 1.2 BILLS PAYABLE THROUGH MAY 11, 2020
- 1.3 CASH BALANCE/ACTIVITY REPORT – MARCH 2020
- 1.4 LIBRARY REPORT – MARCH 2020

At the conclusion of the reading of the Consent Agenda, Mayor Poellinger asked if the Council wished to have any of the items removed from the Consent Agenda for further discussion. It was recommended by Member Jostad to amend the April 27, 2020 Minutes regarding an additional revision to Item 3.3 – Personnel Committee Recommendations originally in the April 13, 2020 Minutes and amended in Item 1 – Consent Agenda of the April 27, 2020 City Council Meeting. Member Jostad recommended this item regarding the Personnel Committee Recommendation for the Operating Engineers Union, Local 49, tentative labor agreement to read as follows:

**ITEM 3.3 – PERSONNEL COMMITTEE RECOMMENDATIONS**

*City Administrator Waller reviewed with City Council the following recommendations from the Personnel Committee:*

1. *The Personnel Committee is recommending that the City Council approve the 2020-2022 tentative Labor Agreement with the Operating Engineers Union, Local 49, that represents seasonal full-time employees at the golf course. City Council reviewed a summary of the Agreement. The wage increases are consistent with what was previously agreed to with other City union and non-union employees for the same time frame. The Personnel Committee also added a cost of living allowance (Appendix A, Paragraph D) in the amount of \$325.00 per month for each month of full-time employment, with proration for partial months worked.*

2. *The Personnel Committee is recommending that the City Council approve extending the \$50 per month cell phone allowance to City Finance Director Debbie Shimshak and City Utility Maintenance Supervisor Jay Gillette. This would take effect March 1, 2020.*

*Following discussion, Member Williams made a motion, seconded by Member O'Donnell-Ebner, as follows:*

***MOTION TO APPROVE THE NEGOTIATED TENTATIVE 2020-2022 LABOR AGREEMENT WITH THE OPERATING ENGINEERS UNION, LOCAL 49, FOR SEASONAL FULL-TIME EMPLOYEES AT THE GOLF COURSE WHICH INCLUDES INCREASES AS WELL AS A \$325.00 PER MONTH COST OF LIVING ALLOWANCE.***

*Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz:*

|                               |            |
|-------------------------------|------------|
| <i>Teresa O'Donnell-Ebner</i> | <i>Yes</i> |
| <i>Dale Williams</i>          | <i>Yes</i> |
| <i>Mike Poellinger</i>        | <i>Yes</i> |

*and Member Cherryl Jostad voted against the same. The motion was declared duly carried by a 3-1 vote.*

*Following discussion, Member Williams made a motion, seconded by Member O'Donnell-Ebner, as follows:*

***MOTION TO APPROVE EXTENDING THE \$50 PER MONTH CELL PHONE ALLOWANCE TO CITY FINANCE DIRECTOR DEBBIE SHIMSHAK AND CITY UTILITY MAINTENANCE SUPERVISOR JAY GILLETTE EFFECTIVE MARCH 1, 2020.***

*Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz:*

|                               |            |
|-------------------------------|------------|
| <i>Cherryl Jostad</i>         | <i>Yes</i> |
| <i>Teresa O'Donnell-Ebner</i> | <i>Yes</i> |
| <i>Dale Williams</i>          | <i>Yes</i> |
| <i>Mike Poellinger</i>        | <i>Yes</i> |

*and none voted against the same. The motion was declared duly carried by a 4-0 vote.*

*Following an extended discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams, as follows:*

***A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED INCLUDING THE AMENDMENT STATED ABOVE REGARDING ITEM 1 – CONSENT AGENDA OF THE APRIL 27, 2020 WHICH AMENDED ITEM 3.3 – PERSONNEL COMMITTEE RECOMMENDATIONS IN THE APRIL 13, 2020 MINUTES.***

*Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz:*

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.1 – BID RESULTS – 2020 UTILITY EXTENSION PROJECT**

City Engineer Hruska reviewed with City Council the bids received for the 2020 Utility Extension project that will extend water and sewer utilities along County Road 6. The following bids were received: Gerke Excavating Inc of Tomah, WI - \$880,515.85; A-1 Excavating Inc of Bloomer, WI - \$937,348.00; and Pember Companies Inc of Menomonie, WI - \$965,545.00. It was recommended to City Council to award the project to Gerke Excavating Inc as they were the low responsive, responsible bidder. City Council reviewed the proposed Resolution awarding the contact. Following review and discussion, Member Williams introduced the following resolution and moved its passage and adoption contingent upon the permits from the Army Corps of Engineers and Minnesota Pollution Control Agency:

**RESOLUTION NO. 05-20-18**

**A RESOLUTION RECEIVING BIDS AND AWARDING CONTRACT ON 2020 UTILITY EXTENSION PROJECT**

BE IT RESOLVED by the City Council of the City of La Crescent, Minnesota, as follows:

1. All bids on construction of 2020 Utility Extension of 2020 are hereby received and tabulated.
2. The bid of Gerke Excavating, Inc. of Tomah, Wisconsin in the amount of \$880,515.85 for the construction of said improvements in accordance with the plans and specifications and advertisement for bids is the lowest responsible bid and shall be and hereby is accepted.
3. The Mayor and City Administrator are hereby authorized and directed to enter into a contract with said bidder for the construction of said improvements for and on behalf of the City of La Crescent.
4. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposit of the successful bidder and the next lowest bidder shall be retained until a contract has been executed.

ADOPTED this 18<sup>th</sup> day of May, 2020.

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

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City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by Member Jostad and upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried and the resolution duly passed and adopted.

### **ITEM 3.2 – BID RESULTS – HORSE TRACK MEADOWS PROJECT**

City Engineer Hruska reviewed with City Council the bids received for the Horse Track Meadows project that will construct a 57 lot subdivision along County Road 6. The following bids were received: A-1 Excavating Inc of Bloomer, WI - \$1,759,878.20; Gerke Excavating Inc of Tomah, WI - \$1,958,121.65; and Zenke Inc of La Crescent, MN - \$2,399,999.90. It was recommended to City Council to award the project to A-1 Excavating Inc as they were the low responsive, responsible bidder. City Council reviewed the proposed Resolution awarding the contract. The Developer was present and requested the City move forward with the contract. Following review and discussion, Member O'Donnell-Ebner introduced the following resolution and moved its passage and adoption contingent upon the permits from the Army Corps of Engineers and Minnesota Pollution Control Agency:

#### **RESOLUTION NO. 05-20-19**

#### **A RESOLUTION RECEIVING BIDS AND AWARDING CONTRACT ON HORSE TRACK MEADOWS IMPROVEMENTS OF 2020**

BE IT RESOLVED by the City Council of the City of La Crescent, Minnesota, as follows:

1. All bids on construction of Horse Track Meadows Improvements of 2020 are hereby received and tabulated.
2. The bid of A1 Excavating Inc. of Bloomer, Wisconsin in the amount of \$1,759,878.20 for the construction of said improvements in accordance with the plans and specifications and advertisement for bids is the lowest responsible bid and shall be and hereby is accepted.
3. The Mayor and City Administrator are hereby authorized and directed to enter into a contract with said bidder for the construction of said improvements for and on behalf of the City of La Crescent.

4. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposit of the successful bidder and the next lowest bidder shall be retained until a contract has been executed.

ADOPTED this 18<sup>th</sup> day of May, 2020.

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by Member Hutchinson and upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried and the resolution duly passed and adopted.

### **ITEM 3.3 – 2020A BOND SALE AWARD RESOLUTION**

Tammy Omdal of Northland Securities gave an overview to City Council regarding the 2020A bond sale award and proposed Resolution. City Council also reviewed the finance plan that was originally presented at the March 23, 2020 City Council meeting. Following review and discussion, Member Williams introduced the following resolution and moved its passage and adoption

#### **RESOLUTION NO. 05-20-20**

#### **RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$3,305,000 GENERAL OBLIGATION BONDS, SERIES 2020A, PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND TAX ABATEMENTS AND LEVYING A TAX FOR THE PAYMENT THEREOF**

A. WHEREAS, the City Council of the City of La Crescent, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue \$3,305,000 General Obligation

Bonds, Series 2020A (the "Bonds" or individually a "Bond"), pursuant to Minnesota Statutes, Chapter 475; and

1. Chapter 429 to finance the Horse Track Meadows street improvements within the City (the "Improvements") in the amount of \$3,185,000 (the "Improvement Portion of the Bonds"); and

2. Section 469.1812 through 469.1815, particularly Section 469.1814 to finance roof improvements to the City's Ice Arena (the "Abatement Project") in the amount of \$120,000 (the "Abatement Portion of the Bonds"); and

B. WHEREAS, the Improvements and all their components have been ordered prior to the date hereof, and have been or will be constructed by the City under contracts which the City has or will let, all pursuant to and in accordance with the applicable provisions of Minnesota Statutes, Chapter 429; and

C. WHEREAS, on March 23, 2020, following duly published notice thereof, the Council held a public hearing on the proposed abatement to finance the Abatement Project and all persons who wished to speak or provide written information relative to the public hearing were afforded an opportunity to do so; and

D. WHEREAS, the City has heretofore established a tax abatement program (the "Program"), pursuant to the provisions of Minnesota Statutes, Sections 469.1812 through 469.1815, with respect to providing for the abatement of property taxes for a period of ten (10) years on various properties in the City, as described in the Resolution adopted by the City Council on March 23, 2020, approving the Program (the "Abatement Resolution"); and

E. WHEREAS, the amount of the property taxes abated are estimated to be at least equal to the principal amount of the Abatement Portion of the Bonds and pursuant to the provisions of the Abatement Resolution, funds are to be expended to provide money to pay for the Abatement Project; and

F. WHEREAS, the City has retained Blue Rose Capital Advisors, in Minneapolis, Minnesota, as its independent municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

G. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

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

1. Acceptance of Proposal. The offer of Northland Securities, Inc. (the "Purchaser"), to purchase the Bonds, in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$3,525,381.35, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated June 11, 2020, as the date of original issue and shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on February 1 in the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2022        | \$280,000     | 2027        | \$335,000     |
| 2023        | 290,000       | 2028        | 355,000       |
| 2024        | 300,000       | 2029        | 360,000       |
| 2025        | 315,000       | 2030        | 370,000       |
| 2026        | 325,000       | 2031        | 375,000       |

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Allocation. The Improvement Portion of the Bonds, being the aggregate principal amount of \$3,185,000, maturing in each of the years and amounts hereinafter set forth, is issued to finance the Improvements. The Abatement Portion of the Bonds, being the aggregate principal amount of \$120,000, maturing in each of the years and amounts hereinafter set forth, is issued to finance the Abatement Project.

| <u>Year</u> | <u>Improvement Portion</u> | <u>Abatement Portion</u> | <u>Total</u> |
|-------------|----------------------------|--------------------------|--------------|
| 2022        | \$270,000                  | \$10,000                 | \$280,000    |
| 2023        | 280,000                    | 10,000                   | 290,000      |
| 2024        | 290,000                    | 10,000                   | 300,000      |
| 2025        | 305,000                    | 10,000                   | 315,000      |
| 2026        | 315,000                    | 10,000                   | 325,000      |
| 2027        | 325,000                    | 10,000                   | 335,000      |
| 2028        | 340,000                    | 15,000                   | 355,000      |
| 2029        | 345,000                    | 15,000                   | 360,000      |
| 2030        | 355,000                    | 15,000                   | 370,000      |
| 2031        | 360,000                    | 15,000                   | 375,000      |

If Bonds are prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of Bonds treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, including a tax levy, the prepayment may be allocated to any portion of debt service in such amounts as the City shall determine. If the source of the prepayment is special assessments pledged for the Improvements, the prepayment shall be allocated to the Improvement Portion of debt service.

(c) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10 hereof, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures



by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of paragraph 10.

(e) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose; Findings. The Improvement Portion of the Bonds shall provide funds to finance the Improvements. The Abatement Portion of the Bonds shall provide funds to finance construction of the Abatement Project. The Improvements and the Abatement Project are herein referred to together as the Project. Pursuant to the Abatement Resolution, the City's share of real estate taxes generated as a result of the Program (the "Tax Abatements") have been pledged to the payment of principal on the Abatement Portion of the Bond. The principal amount of the Abatement Portion of the Bonds does not exceed the estimated amount of Tax Abatements, presently estimated to be \$120,000. Proceeds of the Abatement Portion of the

Bonds shall be expended on costs or uses permitted by Minnesota Statutes, Sections 469.1812 through 469.1815, and shall not be expended on any costs or devoted to any other uses. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2021, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

| <u>Maturity Year</u> | <u>Interest Rate</u> | <u>Maturity Year</u> | <u>Interest Rate</u> |
|----------------------|----------------------|----------------------|----------------------|
| 2022                 | 4.000%               | 2027                 | 4.000%               |
| 2023                 | 4.000                | 2028                 | 2.000                |
| 2024                 | 4.000                | 2029                 | 2.000                |
| 2025                 | 4.000                | 2030                 | 2.000                |
| 2026                 | 4.000                | 2031                 | 2.000                |

5. Redemption. All Bonds maturing on February 1, 2028 and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds at least thirty (30) days prior to the date fixed for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Northland Trust Services, Inc., in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond

Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor-paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
HOUSTON COUNTY  
CITY OF LA CRESCENT

R-\_\_\_\_\_ \$\_\_\_\_\_

GENERAL OBLIGATION BOND, SERIES 2020A

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Date of Original Issue</u> | <u>CUSIP</u> |
|----------------------|----------------------|-------------------------------|--------------|
| _____%               | February 1, 20__     | June 11, 2020                 |              |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of La Crescent, Houston County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, unless called for earlier redemption, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2021, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc., in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only

system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing on February 1, 2028 and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2027, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds at least thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$3,305,0000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on May 18, 2020 (the "Resolution"), for the purpose of providing money to finance certain street and capital improvements, all within the jurisdiction of the Issuer. This Bond is payable out of the General Obligation Bonds, Series 2020A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made

to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or the Holder's attorney duly authorized in writing at the office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of La Crescent, Houston County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:  
\_\_\_\_\_

Registrable by: NORTHLAND TRUST SERVICES,  
INC.

Payable at: NORTHLAND TRUST SERVICES,  
INC.

BOND REGISTRAR'S  
CERTIFICATE OF  
AUTHENTICATION

CITY OF LA CRESCENT,  
HOUSTON COUNTY, MINNESOTA

This Bond is one of the Bonds  
described in the Resolution  
mentioned within.

/s/ Facsimile \_\_\_\_\_  
Mayor

NORTHLAND TRUST SERVICES,  
INC.  
Minneapolis, Minnesota  
Bond Registrar

/s/ Facsimile \_\_\_\_\_  
Administrator

By: \_\_\_\_\_  
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - \_\_\_\_\_ as custodian for \_\_\_\_\_

(Cust)

(Minor)

under the \_\_\_\_\_ Uniform Transfers to Minors Act  
(State)

Additional abbreviations may also be used though not in the above list.

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ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Notice:

The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

\_\_\_\_\_

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Include information for all joint owners if the Bond is held by joint account.)

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either

officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of June 11, 2020. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between



record dates and payment dates. The Administrator is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby established a special fund to be designated "General Obligation Bonds, Series 2020A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have been fully paid. In such records there shall be established accounts or accounts shall continue to be maintained as the case may be, of the Fund for the purposes and in the amounts as follows

(a) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bonds, less amounts designated as capitalized interest, plus any special assessments levied with respect to the Improvements and collected prior to completion of the Improvements and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Improvements listed in paragraph 16 and the Abatement Project listed in paragraph 17, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law. Proceeds of the Improvement Portion of the Bonds may also be used to the extent necessary to pay interest on the Improvement Portion of the Bonds due prior to the anticipated date of commencement of the collection of taxes or special assessments herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance of the Improvement Portion of the Bonds (other than any special assessments) shall be transferred by the Council to the Improvement Debt Service Account, or in the case of any balance attributable to the Improvement Portion of the Bonds, the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs

of the Improvements upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1. Proceeds of the Abatement Portion of the Bonds may be used to the extent necessary to pay interest on the Abatement Portion of the Bonds due prior to the anticipated date of commencement of the collection of Tax Abatements and taxes herein levied or covenanted to be levied and if upon completion of the Abatement Project there shall remain any unexpended balance in the Construction Account, the balance shall be transferred to the Abatement Debt Service Subaccount.

(b) Debt Service Account. There shall be maintained two separate subaccounts in the Debt Service Account to be designated the "Improvement Debt Service Subaccount" and the "Abatement Debt Service Subaccount". There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Improvement Debt Service Subaccount. To the Improvement Debt Service Subaccount there shall be credited: (A) all collections of special assessments herein covenanted to be levied with respect to the Improvements and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Improvement Portion of the Bonds or collected subsequent to the completion of the Improvements and payment of the costs thereof; (B) collections of all taxes herein and hereinafter levied for the payment of the Improvement Portion of the Bonds and interest thereon; (C) a pro rata share of all funds remaining in the Construction Account after completion of the Improvements and payment of the costs thereof; (D) all investment earnings on funds held in the Improvement Debt Service Subaccount; (E) capitalized interest in the amount of \$63,505.56 (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Improvement Portion of the Bonds on or before February 1, 2021; and (F) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Improvement Debt Service Subaccount. The Improvement Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Improvement Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

(ii) Abatement Debt Service Subaccount. To the Abatement Improvement Debt Service Subaccount there shall be credited: (A) Tax Abatements in an amount sufficient, to pay the annual principal payments on the Abatement Portion of the Bonds; (B) collections of all taxes herein and hereinafter levied for the payment of the Abatement Portion of the Bonds and interest thereon; (C) a pro rata share of all funds remaining in the Construction Account after completion of the Abatement Project and payment of the costs thereof; (D) all investment earnings on funds held in the Abatement Debt Service Subaccount; (E) capitalized interest in the amount of \$2,300 (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Abatement Portion of the Bonds on or before February 1, 2021; and (F) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Abatement Debt Service Subaccount. The Abatement Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Abatement Portion of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of

the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Covenants Relating to the Improvement Portion of the Bonds.

(a) Special Assessments. It is hereby determined that no less than twenty percent of the cost to the City of each Improvement financed hereunder within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Improvement financed hereunder unless the resolution ordering the Improvement specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property. It is hereby determined that the assessments shall be payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the declining balance of all such assessments at a rate per annum not greater than the maximum permitted by law and not less than the rates per annum shown opposite their collection years specified:

| <u>Improvement Designation</u>   | <u>Amount</u> | <u>Levy Years</u> | <u>Collection Years</u> | <u>Rate</u> |
|----------------------------------|---------------|-------------------|-------------------------|-------------|
| Horse Track Meadows Improvements | \$1,830,000   | 2020-2029         | 2021-2030               | 2.65%       |

At the time the assessments are in fact levied the City Council shall, based on the then-current estimated collections of the assessments, make any adjustments in any ad valorem taxes required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Tax Levy. To provide moneys for payment of the principal and interest on the Improvement Portion of the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u> |
|-------------------------|-------------------------------|---------------|
|-------------------------|-------------------------------|---------------|

See Attached Schedule in Exhibit A

(c) Coverage Test. The tax levies are such that if collected in full they, together with estimated collections of special assessments and other revenues herein pledged for the payment of the Improvement Portion of the Bonds, will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Improvement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Improvement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

(d) General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Improvement Portion of the Bonds as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Improvement Debt Service Subaccount is ever insufficient to pay all principal and interest then due on the Improvement Portion of the Bonds payable therefrom, the deficiency shall be promptly paid out of any other accounts of the City which are available for such purpose, and such other funds may be reimbursed without interest from the Improvement Debt Service Subaccount when a sufficient balance is available therein.

17. Covenants Relating to the Abatement Portion of the Bonds.

(a) Tax Abatements; Use of Tax Abatements. The Council has adopted the Abatement Resolution and has thereby approved the Tax Abatements, including the pledge thereof to the payment of principal on the Abatement Portion of the Bonds. As provided in the Abatement Resolution, the estimated total amount of the Tax Abatements, if received as estimated for the full maximum term thereof, is \$150,000 and therefore the principal amount of the Abatement Portion of the Bonds does not exceed the maximum projected amount of the Tax Abatements. The Council hereby confirms the Abatement Resolution, which is hereby incorporated as though set forth herein.

(b) Tax Levies; Coverage Test. To provide funds, for payment of the interest on the Abatement Portion of the Bonds, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

| <u>Year of Tax Levy</u> | <u>Year of Tax Collection</u> | <u>Amount</u> |
|-------------------------|-------------------------------|---------------|
|-------------------------|-------------------------------|---------------|

See Attached Tax Levy Schedule in Exhibit A

The tax levies are such that if collected in full they, together with estimated collections of Tax Abatements, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Abatement Portion of the Bonds. The tax levies shall be irrevocable so long as any of the Abatement Portion of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

(c) General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Abatement Portion of the Bonds as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Abatement Debt Service Subaccount is ever insufficient to pay all principal and interest then due on the Abatement Portion of the Bonds payable therefrom, the deficiency shall be promptly paid out of any other accounts of the City which

are available for such purpose, and such other funds may be reimbursed without interest from the Abatement Debt Service Subaccount when a sufficient balance is available therein.

18. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at [www.emma.msrb.org](http://www.emma.msrb.org) in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10 ) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers

19. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

20. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Program"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Program; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Program, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent of the proceeds of the Bonds.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Program to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

21. Certificate of Registration. The Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Houston County, Minnesota, together with such other information as the Auditor shall require, and to obtain a County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and the tax levy required by law has been made.

22. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts

relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

23. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

24. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Bonds are issued by a governmental unit with general taxing powers; (ii) no Bond is a private activity bond; (iii) ninety five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

25. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2020 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2020 have been designated for purposes of Section 265(b)(3) of the Code;
- (f) the aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

26. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution

27. Official Statement. The Official Statement relating to the Bonds prepared and distributed by the Purchaser is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

28. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

ADOPTED this 18<sup>th</sup> day of May, 2020.

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by Member O'Donnell-Ebner and upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried and the resolution duly passed and adopted.

### **ITEM 3.4 – ENGINEERING AGREEMENTS – 2020 PROJECTS**

City Engineer Hruska reviewed with City Council the engineering agreements for construction administration and observation for the Horse Track Meadows development project, and the 2020 Utility Extension project. In order to continue to proceed with these projects, it was recommended to City Council to approve the agreements. Following discussion, Member Hutchinson made a motion, seconded by Member O'Donnell-Ebner, as follows:

**MOTION TO APPROVE THE PROFESSIONAL SERVICES AGREEMENTS BETWEEN THE CITY OF LA CRESCENT AND WHKS & CO. FOR THE 2020 UTILITY EXTENSION PROJECT WITH AN ESTIMATED FEE OF \$60,000.00 AND FOR THE HORSE TRACK MEADOWS DEVELOPMENT PROJECT WITH AN ESTIMATED FEE OF \$125,000.00.**



Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.5 – FEE SCHEDULE AMENDMENT – SEWER CONNECTION**

City Attorney Wieser reviewed with City Council a proposed change to the Fee Schedule. Currently, the City charges \$255.00 for a sewer connection. This is contemplated to increase to \$1,255.00. The purpose of the change is, in part, to provide additional revenue for reimbursement of the lift station that would serve the Horse Track Meadows Development and other areas along Hwy County 6. The connection charge to the City of La Crosse would be in addition to this fee. City Attorney Wieser also reviewed with City Council that the City would reduce the fee by \$500.00 for the six (6) properties on Hickory Lane and the one (1) property on County Road 6 that are already in the City. Following an extended discussion, Member Williams introduced the following Ordinance, and moved its passage and adoption:

**ORDINANCE NO. 545**

**AN ORDINANCE OF THE CITY OF LA CRESCENT AMENDING THE MASTER FEE SCHEDULE FOR THE CITY OF LA CRESCENT AS SET FORTH IN ORDINANCES NO. 404, NO. 483, NO. 492, AND NO. 540, NO. 542 NO. AND 544**

The City Council of the City of La Crescent, Houston County, Minnesota hereby ordains:

1. The La Crescent City Code established on March 8, 2004, stated that certain fees may be set from time to time by the City Council.
2. The La Crescent City Code was amended on January 13, 2014, February 9, 2015, February 24, 2020, April 13, 2020, and April 27, 2020 by Ordinance to amend certain fees.
3. The City staff has reviewed the fees which the City currently charges and is recommending that the fee schedule be amended as follows:

**SANITARY SEWER**

| <b>SANITARY SEWER</b>            | <b>2020</b>  |
|----------------------------------|--|
| Sewer/Wastewater hookup fee      | \$1,255.00   |
| City of La Crosse Connection Fee | \$730.00 per Residential Equivalent Connection ("REC"). Multifamily residential property shall have the number of REC equal to the number of |

|  |  |
|--|--|
|  | dwelling units. Each nonresidential property is assigned RECs based upon estimated usage compared to that of an average residential user. For each new non-residential connection, the City Engineer will prepare a usage estimate, to be approved by the City of La Crosse. |
|--|--|

These fees shall become effective from and after due passage and enactment and publication according to law.

ADOPTED this 18th day of May, 2020.

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

The foregoing motion was duly seconded by Member Jostad and upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

- |                        |     |
|------------------------|-----|
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and Member Ryan Hutchinson voted against the same. The ordinance was declared duly passed and adopted by a 4-1 vote.

City Council authorized that City Staff is authorized to reduce the sewer connection fee by \$500.00 for the following properties:

1. 550 Hickory Lane;
2. 556 Hickory Lane;
3. 562 Hickory Lane;
4. 568 Hickory Lane;
5. 574 Hickory Lane;
6. 580 Hickory Lane; and

7. 1727 County 6.

City Attorney Wieser then reviewed with Council the Summary Ordinance for publication. The Council made the following findings of facts: that publication of the summary informs the public of the intent and effect of the Ordinance.

Member Williams then made a motion, seconded by Member O'Donnell-Ebner as follows:

**MOTION THAT A PRÉCIS FORMAT OF SAID ORDINANCE 545 BE PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE CITY AND WITH "OFFICIAL COPY" SO MARKED BE KEPT ON FILE IN THE OFFICE OF THE CITY ADMINISTRATOR**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.6 – BICYCLE/PEDESTRIAN BRIDGE ALTERNATIVES**

City Engineer Hruska reviewed with City Council the report regarding the Wagon Wheel Trail Pedestrian Bridge Crossing Over TH 61 alternatives. This item was informational, and no action was taken.

**ITEM 3.7 – PERSONNEL COMMITTEE RECOMMENDATIONS**

City Administrator Waller reviewed with City Council the following recommendations from the Personnel Committee:

1. The Personnel Committee is recommending that the City Council accept the resignation/retirements of Joe Thesing and Shawn Wetterlin from the La Crescent Fire Department. City Council reviewed a letter from the Fire Chief regarding this.
2. The Personnel Committee is recommending that the City Council approve extending the promotion of Shane Eastman, effective April 1, 2020, to the position of Fire Captain. Pursuant to the terms of the Fire Department Rules and Regulation, Mr. Eastman would serve a 12-month probationary period. City Council reviewed a letter from the Fire Chief regarding this.
3. The Personnel Committee is recommending that the City Council approve Assistant Fire Chief Josh Tarrence assuming the duties of Fire Marshal in addition to his current duties as Assistant Fire Chief. City Council reviewed a letter from the Fire Chief regarding this.

Following discussion, Member Williams made a motion, seconded by Member O'Donnell-Ebner, as follows:

**MOTION TO ACCEPT THE RESIGNATION/RETIREMENTS OF JOE THESING AND SHAWN WETTERLIN FROM THE LA CRESCENT FIRE DEPARTMENT.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

Following discussion, Member Williams made a motion, seconded by Member O'Donnell-Ebner, as follows:

**MOTION TO APPROVE EXTENDING THE PROMOTION OF SHANE EASTMAN, EFFECTIVE APRIL 1, 2020, TO THE POSITION OF FIRE CAPTAIN FOR THE LA CRESCENT FIRE DEPARTMENT AND THAT PURSUANT TO THE TERMS OF THE FIRE DEPARTMENT RULES AND REGULATION, MR. EASTMAN WOULD SERVE A 12-MONTH PROBATIONARY PERIOD.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |

Member Ryan Hutchinson and Mayor Mike Poellinger abstained from voting and none voted against the same. The motion was declared duly carried by a 3-0 vote.

Following discussion, Member Williams made a motion, seconded by Member O'Donnell-Ebner, as follows:

**MOTION TO APPROVE ASSISTANT FIRE CHIEF JOSH TARRENCE OF THE LA CRESCENT FIRE DEPARTMENT ASSUMING THE DUTIES OF FIRE MARSHAL IN ADDITION TO HIS CURRENT DUTIES AS ASSISTANT FIRE CHIEF.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |

Member Ryan Hutchinson and Mayor Mike Poellinger abstained from voting and none voted against the same. The motion was declared duly carried by a 3-0 vote.

**ITEM 3.8 – AUTHORIZE CAPITAL EXPENDITURE**

City Administrator Waller reviewed with City Council that the La Crescent Golf Commission is recommending that the City Council approve the purchase of a demo/used 2019 Toro utility vehicle from MTI Toro Equipment in the amount of \$9,918.00. This would replace the 1996 work cart that is currently being used at the golf course. There are funds in the 2017 capital equipment certificate for this expenditure. The existing 1996 work cart would then be sold on Minnesota Bid. Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Jostad, as follows:

**MOTION TO APPROVE THE PURCHASE OF A DEMO/USED 2019 TORO UTILITY VEHICLE FROM MTI TORO EQUIPMENT IN THE AMOUNT OF \$9,918.00 FOR THE GOLF COURSE USING FUNDS IN THE 2017 CAPITAL EQUIPMENT CERTIFICATE FOR THIS EXPENDITURE AND TO AUTHORIZE THE SALE OF THE EXISTING 1996 WORK CART ON MINNESOTA BID.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.9 – WEBSITE DEVELOPMENT PROPOSAL**

City Administrative Assistant Boettcher reviewed with City Council a proposal to upgrade the City’s website from Vision Design Group, our current Website developer. It has been several years since the City has done any type of upgrade to their website. Vision Design has offered a more streamlined design, making the website more user friendly. The Cities of Lewiston, Winona, and St. Charles have all been upgraded. City staff has reviewed the updates made to these sites and discussed the upgrades with Vision Design team, Jill Reimers and Bill Katula. The City’s budget would be amended to reflect this expenditure. It was recommended to City Council to approve the proposal to upgrade for \$3,300.00. Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Williams, as follows:

**MOTION TO APPROVE A PROPOSAL TO UPGRADE THE CITY’S WEBSITE FROM VISION DESIGN GROUP IN THE AMOUNT OF \$3,300.00 BY AMENDING THE CITY OF LA CRESCENT’S BUDGET FOR THIS EXPENDITURE.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.10 – WEDDING REQUEST – VETERANS PARK**

City Administrator Waller reviewed with City Council a request from Brady Lowe to revise his request to reserve the northwestern corner of Veterans Park for a wedding ceremony on June 20, 2020. The original request was approved by City Council at their August 12, 2019 City Council meeting. Due to COVID-19, he would like to revise the date to July 31, 2021. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams, as follows:

**MOTION TO APPROVE MOVING THE DATE FOR A WEDDING REQUEST OF BRADY LOWE FOR THE NORTHWESTERN CORNER OF VETERANS PARK FOR A WEDDING CEREMONY FROM JUNE 20, 2020 TO JULY 31, 2021.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.11 – HEALTHY COMMUNITY PARTNERSHIP LEASE**

City Administrative Assistant Boettcher reviewed with City Council the proposed new Lease Agreement with La Crescent Area Healthy Community Partnership to rent the property at 333 Main Street. The original Lease was drafted at Council's direction and terminated on April 30, 2020. The Lease includes that rent would be payable to the City in the amount of \$1.00 during the term of the Lease. The Lease is for one (1) year with the City reserving the right to unilaterally terminate the Lease upon ninety (90) days written notice. The Tenant shall continue to pay for all utilities and maintenance associated with the building in lieu of rent. Following discussion, Member Jostad made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO APPROVE WITH MODIFICATIONS A MINNESOTA RESIDENTIAL LEASE AGREEMENT BETWEEN THE CITY OF LA CRESCENT AND LA CRESCENT AREA HEALTHY COMMUNITY PARTNERSHIP REGARDING CITY OWNED REAL PROPERTY AT 333 MAIN STREET WITH THE LEASE EFFECTIVE MAY 1, 2020 THROUGH APRIL 30, 2021.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 3.12 – COVID-19/CITY HALL/AQUATIC CENTER**

City Administrative Assistant Boettcher reviewed with City Council the City’s COVID-19 Exposure Prevention, Preparedness, and Response Plan. City Council also reviewed the most recent emergency executive orders from Governor Walz extending the Peacetime Emergency, Protecting Workers from Unsafe Working Conditions, and Safely Reopening Minnesota's Economy.

City Administrator Waller reviewed with City Council a number of improvements have been made at City Hall. These include safety partitions in the front offices, along with the installation of an intercom/door unlocking mechanism. City Staff is anticipating that even when City Hall is open to the public, that the front door will need to remain locked as a means to control the number of people in the front lobby and the motor vehicle office. An appointment schedule will most likely be used for the renewal of drivers licenses until such time that the building can be opened up to additional foot traffic.

City Administrator Waller also reviewed with City Council a proposal to alter the hours and days of operation at City Hall through the end of the year. It was recommended that City Hall's hours would be 7:30 am to 6:00 pm, Mondays through Thursday. Between now and the end of the year, the City would evaluate the effectiveness of the change, and modify as necessary. It is anticipated that the added hours Monday through Thursday would help residents that work an 8:00 to 5:00 work schedule. Regarding the aquatic center and the summer recreation season, the City is in a wait and see mode as to when and how the City will be able to provide these services. Currently, the aquatic center is ready to be filled with water, and can be fully operational within just four days’ time.

Following discussion, Member O’Donnell-Ebner made a motion, seconded by Member Williams, as follows:

**MOTION TO APPROVE THE CHANGE IN DAYS AND HOURS FOR CITY HALL TO BE 7:30 AM TO 6:00 PM, MONDAYS THROUGH THURSDAY, EFFECTIVE NOW THROUGH THE END OF THIS YEAR.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O'Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 6.1 – EXPLORE LA CROSSE**

City Council reviewed the Agenda from the April 21, 2020 La Crosse County Convention & Visitors Bureau Board Meeting, which included the Minutes from the March 31, 2020 Board Meeting. No action taken.

**ITEM 6.2 – PARK & RECREATION MINUTES – MAY 12, 2020**

City Council reviewed the Park & Recreation Minutes from the May 12, 2020 meeting. The Park & Recreation Commission is recommending to the City Council to approve Lancer Youth Baseball/Softball (LYB) request to make improvements to the ball field at Veterans Park . The improvements include upgrades to the fences along the 1<sup>st</sup> and 3<sup>rd</sup> base lines, along with the construction of new dugouts. There would be no cost to the City for the improvements, as LYB would be responsible for all of the costs. Following discussion, Member Williams made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO APPROVE LANCER YOUTH BASEBALL/SOFTBALL (LYB) REQUEST TO MAKE IMPROVEMENTS TO THE BALL FIELD AT VETERANS PARK WHICH INCLUDE UPGRADES TO THE FENCES ALONG THE 1<sup>ST</sup> AND 3<sup>RD</sup> BASE LINES, ALONG WITH THE CONSTRUCTION OF NEW DUGOUTS, WITH NO COST TO THE CITY OF LA CRESCENT.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried.

**ITEM 8 – CHAMBER OF COMMERCE**

There was no report from the La Crescent Chamber of Commerce.

There being no further business to come before the Council at this time, Member Williams made a motion, seconded by Member O’Donnell-Ebner, to adjourn the meeting. Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

|                        |     |
|------------------------|-----|
| Ryan Hutchinson        | Yes |
| Cherryl Jostad         | Yes |
| Teresa O’Donnell-Ebner | Yes |
| Dale Williams          | Yes |
| Mike Poellinger        | Yes |

and none voted against the same. The motion was declared duly carried and the meeting duly adjourned at 7:16 PM.



APPROVAL DATE: \_\_\_\_\_

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator