

**OFFICIAL PROCEEDINGS
CITY OF COLUMBIA HEIGHTS
CITY COUNCIL MEETING
APRIL 24, 2017**

The following are the minutes for the regular meeting of the City Council held at 7:00 PM on Monday April 24, 2017 in the City Council Chambers, City Hall, 590 40th Ave. N.E., Columbia Heights, Minnesota

1. CALL TO ORDER

Mayor Schmitt called the meeting to order at 7:05 p.m.

2. ROLL CALL

Present: Mayor Schmitt, Councilmember Williams, Councilmember Murzyn, Jr., Councilmember Buesgens and Councilmember Novitsky

Also Present: Walt Fehst; City Manager, Jim Hoeft; City Attorney, Joe Kloiber; Finance Director, Gary Gorman; Fire Chief, Kelli Bourgeois; Human Resource Director/Assistant to the City Manager, and Katie Bruno; City Clerk/Council Secretary

3. INVOCATION

Invocation provided by Rachel Schwenke, First Lutheran Church.

4. PLEDGE OF ALLEGIANCE/OATH OF OFFICE

A. Oath of Office, Nick Novitsky

5. ADDITIONS/DELETIONS TO MEETING AGENDA

(The Council, upon majority vote of its members, may make additions and deletions to the agenda. These may be items brought to the attention of the Council under the Citizen Forum or items submitted after the agenda preparation deadline.)

Mayor Schmitt announced the following item will be removed from the agenda:

Revocation of the license to operate a rental unit within the City of Columbia Heights is requested against the rental property at 4512 Washington St NE. The property has been brought into compliance.

Motion by Councilmember Buesgens, seconded by Councilmember Novitsky to approve the agenda as amended. All Ayes, Motion Carried.

6. PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

Councilmember Murzyn, Jr. announced Columbia Heights High School's spring musical, Little Shop of Horrors is running through April 29th.

Mayor Schmitt announced St Matthew's Church is performing Beauty & the Beast April 27, 28 and 29th, and again May 4, 5 and 6th. Matinee and Dinner shows are offered.

7. CONSENT AGENDA

(These items are considered to be routine by the City Council and will be enacted as part of the Consent Agenda by one motion. Items removed from consent agenda approval will be taken up as the next order of business.)

A. Approve Minutes of the City Council

MOTION: Move to approve the minutes of the City Council meeting of April 10, 2017

MOTION: Move to approve the minutes of the City Council work session of April 10, 2017

B. Accept Board and Commission Meeting Minutes

MOTION: Move to accept the Charter Commission Minutes from January 19, 2017.

C. Consideration of a Resolution Approving a Collective Bargaining Agreement Between the City of Columbia Heights and International Association of Fire Fighters, Local #1216

MOTION: To waive the reading of Resolution 2017-38, there being ample copies available to the public.

MOTION: To adopt Resolution 2017-38 Regarding the Labor Agreement between the City of Columbia Heights and International Association of Fire Fighters, Local #1216, effective January 1, 2017 to December 31, 2018.

D. Authorize the purchase of a 2017 Ford F250 pickup truck

MOTION: Motion to approve the purchase of a Ford F250 pickup truck from Midway Ford for the State Contract price of \$29,673.00 and to equip the truck with a lift gate, radio, emergency lights, computer equipment, and graphics.

E. Consideration of approval of attached list of rental housing applications.

MOTION: Move to approve the items listed for rental housing license applications for April 24, 2017, in that they have met the requirements of the Property Maintenance Code.

F. Consideration Of City Of Columbia Heights, Minnesota, Resolution 2017-39 Providing for the sale of \$8,750,000 General Obligation Refunding Bonds, Series 2017B; and City Of Columbia Heights, Minnesota Resolution 2017-40, Providing for the sale Of \$3,375,000 General Obligation Refunding Bonds, Series 2017A. **Removed for discussion.*

G. The First Reading of Ordinance 1639, Providing for the Issuance and Sale of General Obligation Refunding Bonds, Series 2017A, in the Maximum Aggregate Principal Amount of \$3,375,000. **Removed for discussion.*

H. Approve Business License Applications

MOTION: Move to approve the items as listed on the business license agenda for April 24, 2017.

I. Payment of Bills

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8, the City Council has received the list of claims paid covering check number 165384 through 165553 in the amount of \$990,751.17

Motion by Councilmember Williams, seconded by Councilmember Novitsky to approve the Consent Agenda items A, B, C, D, E, H and I. All Ayes, Motion Carried.

The following items were removed for discussion:

F. Consideration Of City Of Columbia Heights, Minnesota, Resolution 2017-39 Providing for the sale of \$8,750,000 General Obligation Refunding Bonds, Series 2017B; and City Of Columbia Heights, Minnesota Resolution 2017-40, Providing for the sale Of \$3,375,000 General Obligation Refunding Bonds, Series 2017A

Finance Director Joe Kloiber explained that the City is expected to save approximately \$2,000,000 (\$1,600,000 net present value) as a result of refinancing two outstanding bond issues. Kloiber explained that the resolutions being considered will serve as an administrative good-practice. City Charter requires an ordinance for the sale of the liquor bonds, because that transaction was originally through the EDA. Jason Aarsvold, representing Ehlers stated the sale is scheduled for the morning of June 12th, results will be reported to the Council at their June 12th meeting. Mayor Schmitt commended Finance Director Kloiber, and thanked Mr. Aarsvold noting this is a significant savings for the City. Councilmember Williams agreed.

Motion by Councilmember Buesgens, seconded by Councilmember Williams to waive the reading of Resolution 2017-39, there being ample copies available to the public. All Ayes, Motion Carried.

Motion by Councilmember Williams, seconded by Councilmember Murzyn, Jr. adopt Resolution 2017-39, being a resolution providing for the sale of \$8,750,000 General Obligation Refunding Bonds, Series 2017B. All Ayes, Motion carried.

Motion by Councilmember Novitsky, seconded by Councilmember Williams to waive the reading of Resolution 2017-40, there being ample copies available to the public. All Ayes, Motion Carried.

Motion by Councilmember Murzyn, Jr., seconded by Councilmember Buesgens to adopt Resolution 2017-40, being a resolution providing for the sale of \$3,375,000 General Obligation Refunding Bonds, Series 2017A. All Ayes, Motion carried.

G. The First Reading of Ordinance 1639, Providing for the Issuance and Sale of General Obligation Refunding Bonds, Series 2017A, in the Maximum Aggregate Principal Amount of \$3,375,000.

There were no additional questions or comments; this item was addressed as part of the previous item.

Motion by Councilmember Novitsky, seconded by Councilmember Williams to waive the first reading of Ordinance 1639, there being ample copies available to the public. All Ayes, Motion carried.

Motion by Councilmember Buesgens seconded by Councilmember Williams to schedule the second reading of Ordinance 1639, providing for the issuance and sale of General Obligation Refunding Bonds Series 2017A in the maximum aggregate principal amount of \$3,375,000; to be May 8th, 2017, at approximately 7:00 P.M. in the City Council Chambers. All Ayes, Motion carried.

8. PUBLIC HEARINGS

A. Consideration of revocation of the license to operate a rental unit within the City of Columbia Heights is requested against the rental property at 4600 Jefferson St NE for failure to meet the requirements of the Residential Maintenance Codes.

Fire Chief Gary Gorman reported the property owner has not submitted their rental license application, and the City has been unable to communicate with the owner. Mayor Schmitt questioned if the tenants would be evicted. Gorman stated a County Citation would be issued, there would not be an eviction.

Motion by Councilmember Williams, seconded by Councilmember Murzyn, Jr. to close the public hearing and to waive the reading of Resolution Number 2017-36, being ample copies available to the public. All Ayes, Motion Carried.

Motion by Councilmember Williams, seconded by Councilmember Novitsky to adopt Resolution Number 2017-36, being Resolution of the City Council of the City of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of the rental license listed. All Ayes, Motion Carried.

9. ITEMS FOR CONSIDERATION

A. Other Ordinances and Resolutions

B. Bid Considerations

C. New Business and Reports

10. ADMINISTRATIVE REPORTS

Report of the City Council

Councilmember Murzyn, Jr. reported he attended the Charter Commission meeting. The group discussed the appointment process.

Councilmember Buesgens reported she also attended the Charter Commission meeting. The commission will address the following three items related to the appointment process:

- The overall length of time for the process.
- They would like a road map created, giving details of the steps to follow along the way.
- How to proceed in the event of a tie.

The commission indicated in order to maintain their independence; they would prefer not to have a joint meeting with the council. It was suggested that the council channel their question or comments through Councilmember Buesgens; the liaison.

Buesgens attended the salad lunch at Community United Methodist Church, The Lions clean-up day event, Heights Next movie night, and the MAC (Multi-cultural Advisory Committee) forum on immigration.

Councilmember Novitsky attended the MAC meeting.

Mayor Schmitt attend the Heights Next movie night, she reported she signed up for the mayor's monarch pledge. The Mayor also attended the MAC meeting. The Community Prayer Breakfast is scheduled for May 10th, 7:00 AM at Murzyn Hall.

Report of the City Manager

City Manager Walt Fehst announce Northeast Bank will be hosting an open house on April 26th from 12:00-3:00. Manger Fehst gave an overview of what will be discussed at the May 1st work session. Residents were encouraged to sign up to receive the Sun Focus via US Mail.

11. CITIZENS FORUM

DeWayne Morrell-4212 Reservoir Blvd. had a question for Councilmember Williams. City Attorney Hoeft reminded Mr. Morell that he can address the council as a group, not individual council members. Mayor Schmitt suggested Mr. Morrell speak with Williams after the meeting.

Mr. Morrell requested the City look into the vacant parcel west of McLeod St NE, there are trees overhanging and leaning. Mr. Morell questioned if Mr. Williams' storage facility on 37th and Madison is exempt from the city ordinance requiring paved surfaces for parking. Councilmember Buesgens suggested the council discuss the issue at a future work session.

Mr. Morell reported there are numerous vehicles at the businesses along 39th Ave. west of Central Ave. Mayor Schmitt stated the information will be forwarded to Chief Gary Gorman.

Rachel Schwenke-First Lutheran Church shared the following immigration statement from the Columbia Heights Police Department:

The Columbia Heights Police Department has not, and will not, be asking for the immigration status of those we come into contact with. As a police agency it is essential that we have the trust of all of our residents and that we do not have or create barriers to residents wanting to work with us or report crimes.

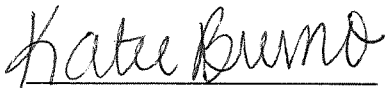
Schwenke directed interested resident to the City's website to review the materials from the recent meeting.

Ramona Anderson-4132 Stinson questioned the procedure if a driver does not have a driver's license. City Attorney Hoeft indicated immigration status is not enforced at the local level, and is irrelevant to any citations our police department would issue.

12. ADJOURNMENT

Motion by Councilmember Murzyn, Jr., seconded by Councilmember Williams to adjourn. All Ayes, Motion Carried.

Meeting adjourned at 8:02 p.m.

A handwritten signature in cursive script that reads "Katie Bruno". The signature is written in black ink and is positioned above a horizontal line.

Respectively Submitted,
Katie Bruno, Council Secretary/City Clerk

RESOLUTION 2017-36

Resolution of the City Council for the City of Columbia Heights approving revocation pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(A) of that certain property rental license held by Jennifer Picken (Hereinafter "License Holder").

Whereas, license holder is the legal owner of the real property located at 4600 Jefferson Street N.E., Columbia Heights, Minnesota,

Whereas, pursuant to City Code, Chapter 5A, Article IV, Section 5A.408(B), written notice setting forth the causes and reasons for the proposed Council action contained herein was given to the License Holder on April 6, 2017 of a public hearing to be held on April 24, 2017.

Now, therefore, in accordance with the foregoing, and all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

FINDINGS OF FACT

1. That on or about February 28, 2017, inspection office staff sent a letter requesting the owner of the property submit the rental license application for this property. The letter was mailed by regular mail to the owner at the address listed in the property records.
2. That on April 5, 2017, inspection office staff reviewed the property file and noted that the property remained unlicensed. A Statement of Cause was mailed by regular mail to the owner at the address listed in the property records.
3. That based upon said records of the Enforcement Office, the following conditions and violations of the City's Property Maintenance Code were found to exist, to-wit:
 - a. Failure to submit renewal rental license application and fees.
4. That all parties, including the License Holder and any occupants or tenants, have been given the appropriate notice of this hearing according to the provisions of the City Code, Chapter 5A, Article III 5A.306 and 5A.303(A).

ORDER OF COUNCIL

1. The rental license belonging to the License Holder described herein and identified by license number F15159 is hereby revoked;
2. The City will post for the purpose of preventing occupancy a copy of this order on the buildings covered by the license held by License Holder;
3. All tenants shall remove themselves from the premises within 45 days from the first day of posting of this Order revoking the license as held by License Holder.

RESOLUTION 2017-38

A Resolution of the City Council for the City of Columbia Heights, Minnesota, approving a collective bargaining agreement between the City of Columbia Heights and International Association of Fire Fighters, Local #1216

Whereas, negotiations have proceeded between International Association of Fire Fighters, Local #1216, representing full time Firefighters and Fire Captains of the City, and members of the City's negotiation team; and

Whereas, said negotiations have resulted in a mutually acceptable collective bargaining agreement for calendar years 2017 and 2018; and

Whereas, changes to the current agreement are hereby attached as Exhibit A, and a copy of said collective bargaining agreement is available for inspection at the Office of the City Manager and is made a part hereof by reference.

Now Therefore Be It Resolved, that the collective bargaining agreement as negotiated, be and is hereby established as the salary and fringe benefit program for calendar years 2017 and 2018 for International Association of Fire Fighters, Local #1216 bargaining unit employees of the City; and

Be It Further Resolved that the Mayor and City Manager are hereby authorized to execute this collective bargaining agreement.

RESOLUTION 2017-39

Council Member Williams introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of
\$8,750,000 General Obligation Refunding Bonds, Series 2017B**

A. WHEREAS, the City Council of the City of Columbia Heights, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$8,750,000 General Obligation Refunding Bonds, Series 2017B (the "Bonds"), to effect a current refunding of the General Obligation Public Safety Bonds, Series 200B; and

B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.

2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on June 12, 2017, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by City Council Member Murzyn, Jr. and, after full discussion thereof and upon a vote being taken thereon, the following City Council Members voted in favor thereof: Schmitt, Williams, Murzyn, Jr., Buesgens and Novitsky and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Dated this 24th day of April, 2017.

RESOLUTION 2017-40

Council Member Murzyn, Jr. introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of
\$3,375,000 General Obligation Refunding Bonds, Series 2017A**

- A. WHEREAS, the City Council of the City of Columbia Heights, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$3,375,000 General Obligation Refunding Bonds, Series 2017A (the "Bonds"), to effect a current refunding of the Public Facility Lease Revenue Bonds, Series 2007B; and
- B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on June 12, 2017, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by City Council Member Buesgens and, after full discussion thereof and upon a vote being taken thereon, the following City Council Members voted in favor thereof: Schmitt, Murzyn, Jr., Buesgens, Williams and Novitsky and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Dated this 24th day of April, 2017.

Ord 1639 (First reading)
**BEING AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A,
IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$3,375,000**

The City of Columbia Heights does ordain:

Section 1. It is hereby determined that:

(a) On September 19, 2007, the Columbia Heights Economic Development Authority (the "EDA") issued its Public Facility Lease Revenue Bonds, Series 2007B (Municipal Liquor Stores Project) (the "Series 2007B Bonds"), in the original aggregate principal amount of \$5,040,000. The Series 2007B Bonds were issued under the terms of a Mortgage and Security Agreement and Trust Indenture, dated as of September 1, 2007 (the "Indenture"), between the EDA and U.S. Bank National Association (the "Trustee"). Pursuant to a Ground Lease, dated as of September 1, 2007, the EDA leases certain land (the "Sites") from the City of Columbia Heights, Minnesota (the "City"). Pursuant to a Lease-Purchase Agreement, dated as of September 1, 2007, the Authority leases to the City, with the option to purchase by the City, the Sites and the facilities constructed thereon, including the municipal liquor store (the "Facilities").

(b) Pursuant to Section 3.01(b) of the Indenture, the Series 2007B Bonds maturing on or after February 1, 2018, are subject to optional redemption, at the election of the City, on February 1, 2017, and any date thereafter, at a price of par plus accrued interest. The City has proposed to exercise its option to redeem the outstanding Series 2007B Bonds and acquire the Sites and the Facilities from the EDA. The Series 2007B Bonds are currently outstanding in the aggregate principal amount of \$3,700,000.

(c) The City is authorized by Minnesota Statutes, Section 475.67, subdivision 3 to issue and sell its general obligation bonds to refund obligations and the interest thereon before the due date of the obligations, if consistent with covenants made with the holders thereof, when determined by the City Council to be necessary or desirable for the reduction of debt service costs to the City or for the extension or adjustment of maturities in relation to the resources available for their payment.

(d) The City has determined that it is necessary and desirable for the reduction of debt service costs to the City to issue its General Obligation Refunding Bonds, Series 2017A (the "Bonds"), in the maximum aggregate principal amount of \$3,375,000, pursuant to the home rule charter of the City (the "City Charter") and Minnesota Statutes, Section 475.67, subdivision 3, to redeem and prepay the outstanding Series 2007B Bonds and acquire the Sites and the Facilities from the EDA.

Section 2. Ehlers & Associates, Inc. is authorized to negotiate the sale of the Bonds in the maximum aggregate principal amount specified in Section 1(d) hereof, in accordance with terms of proposal approved by the Finance Director of the City. The City Council will meet on Monday, June 12, 2017, or such

other date specified by the City Manager in accordance with the City Charter, to consider the sale of the Bonds and take any other appropriate action with respect to the Bonds.

Section 3. The EDA is authorized and directed to provide to the Trustee written notice of the City's election to redeem the outstanding Series 2007B Bonds in accordance with the terms provided in Section 3.02 of the Indenture.

Section 4. This ordinance shall be in full force and effect from and after thirty (30) days after its passage.