



**CITY COUNCIL MEETING MINUTES  
JULY 10, 2023, AT 6:30 PM COUNCIL  
ROOM #2**

*The City Council is provided background information for agenda items in advance by city staff, committees, and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the mayor during the "Citizens addressing the Council" portion of the agenda.*

1. Call Meeting to Order and Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda
4. Citizens Addressing the Council

*State your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individuals.*

**CONSENT AGENDA**

5. Approval of Consent Agenda
  - A) Approval of Bills
  - B) June 21, 2023, City Council Meeting Minutes
  - C) Approval to move Stephanie Manthey to an 0.8 EMT Position
  - D) Approve the hiring of Mike Wood as casual EMT
  - E) Approve the hiring of Sarah Fadness to an 0.8 EMT Position

**PUBLIC HEARING**

6. 2024 Street and Utility Improvement Project

**OLD BUSINESS**

**NEW BUSINESS**

7. Report on 2024 Street and Utility Improvement Project Financial Feasibility, Shannon Sweeny, DDA
8. Sidewalk Repair Estimate
9. First Reading Ordinance No. 250 Amendment

**REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

10. City Administrator Update, Jessica Steinke
11. Attorney Janssen Update, Ken Janssen

**MISCELLANEOUS BUSINESS**

**ADJOURNMENT**

Reminders:

- July 17- 6:30 pm Council Meeting
- July 24- 6 pm Cemetery Meeting
- July 24- 7 pm Parks Meeting
- July 26- 6:30 pm Fire Relief Meeting at Fire Hall
- August 3- 7 pm Planning & Zoning Meeting
- August 7- 6:30 pm Council Meeting

**\*Check Summary Register©**

10150 Unposted

	Name	Check Date	Check Amt
<b>10150 Cash</b>			
Unposted	AMAZON CAPITAL SERVICES	7/6/2023	\$1,857.47
Unposted	ARAMARK	7/6/2023	\$872.71
Unposted	ARLINGTON AUTO & FARM SUP	7/6/2023	\$18.88
Unposted	ARLINGTON HAUS	7/6/2023	\$39.10
Unposted	BOLTON & MENK, INC.	7/6/2023	\$44,493.50
Unposted	CANON FINANCIAL SERVICES, I	7/6/2023	\$160.19
Unposted	CASH DISBURSEMENTS-CITY	7/6/2023	\$91.09
Unposted	CENGAGE LEARNING INC.	7/6/2023	\$173.93
Unposted	CENTERPOINT ENERGY	7/6/2023	\$498.83
Unposted	CITY OF ARLINGTON	7/6/2023	\$7,373.89
Unposted	DELTA DENTAL OF MINNESOTA	7/6/2023	\$142.50
Unposted	EVOLUTION SHIRTS	7/6/2023	\$208.97
Unposted	EXPERT BILLING, LLC	7/6/2023	\$1,008.00
Unposted	GAYLORD HUB	7/6/2023	\$45.00
Unposted	GLOBAL EQUIPMENT COMPANY,	7/6/2023	\$3,143.99
Unposted	HAGGENMILLER LUMBER/SNOW	7/6/2023	\$143.29
Unposted	HILDI, INC.	7/6/2023	\$1,100.00
Unposted	HOMEWARD BOUND THEATRE	7/6/2023	\$650.00
Unposted	HUTCHINSON CO-OP	7/6/2023	\$1,312.99
Unposted	INGRAM LIBRARY SERVICES	7/6/2023	\$482.06
Unposted	JAIME WEIKLE	7/6/2023	\$45.98
Unposted	JEREMY OTTO	7/6/2023	\$520.00
Unposted	JERRY'S TRANSMISSION SERVI	7/6/2023	\$478.34
Unposted	JESSICA STEINKE	7/6/2023	\$159.82
Unposted	KAHNKE BROTHERS TREE FAR	7/6/2023	\$402.00
Unposted	KLEHR GRADING	7/6/2023	\$15,834.94
Unposted	L&E TREE SERVICE	7/6/2023	\$2,800.00
Unposted	MADISON NATIONAL LIFE INS. C	7/6/2023	\$49.20
Unposted	MATHESON TRI-GAS INC.	7/6/2023	\$128.58
Unposted	MAVERICK AUTOMOTIVE	7/6/2023	\$1,001.84
Unposted	MCLEOD PUBLISHING	7/6/2023	\$114.39
Unposted	MEDIACOM	7/6/2023	\$1,145.38
Unposted	MICHAEL FREDERICK	7/6/2023	\$20.00
Unposted	MINNESOTA LIFE	7/6/2023	\$102.57
Unposted	MINNESOTA VALLEY ELECTRIC	7/6/2023	\$28.08
Unposted	MJM MEDICAL DIRECTION SERV	7/6/2023	\$500.00
Unposted	NUESSMEIER ELECTRIC	7/6/2023	\$431.93
Unposted	PDJ CONSULTING	7/6/2023	\$650.00
Unposted	PEOPLE SERVICE INC.	7/6/2023	\$25,175.00
Unposted	RDO EQUIPMENT CO.	7/6/2023	\$197,629.97
Unposted	RENVILLE SIBLEY SANITATION	7/6/2023	\$2,841.59
Unposted	RETROFIT LIGHTING & DESIGN	7/6/2023	\$2,000.00
Unposted	RYAN WELLER	7/6/2023	\$166.71
Unposted	SAFETY & SECURITY CONSULT	7/6/2023	\$1,200.00
Unposted	THOMES BROTHERS INC.	7/6/2023	\$252.28
Unposted	TREVOR OTTO	7/6/2023	\$120.68
Unposted	U.S. BANK	7/6/2023	\$2,565.33
Unposted	U LINE	7/6/2023	\$1,986.74
Unposted	VERIZON WIRELESS	7/6/2023	\$234.48
Unposted	WEBER MULTI SERVICES	7/6/2023	\$23,785.00
	<b>Total Checks</b>		<b>\$346,187.22</b>
PAID	DAVE SIWEK		20,000.00 - EDA Subsidy
PAID	ELEC REBATES		1,721.00 - (9) ELEC CIP REBATES PROCESSED
	<b>TOTAL:</b>		<b>\$367,908.22</b>

Payments

Current Period: JULY 2023

Payments Batch 07-10-23 PAY \$346,187.22

Refer 15351 AMAZON BUSINESS				
Cash Payment	E 101-41400-200	Office Supplies	JUN- CAMERAS, EQUIP & SUPPLIES	\$236.64
Invoice				
Cash Payment	E 101-42110-218	Office Expense	JUN- CAMERAS, EQUIP & SUPPLIES	\$48.88
Invoice				
Cash Payment	E 101-42110-321	Telephone	JUN- CAMERAS, EQUIP & SUPPLIES	\$25.73
Invoice				
Cash Payment	E 101-42110-480	Gas & Repair-Police Car	JUN- CAMERAS, EQUIP & SUPPLIES	\$26.95
Invoice				
Cash Payment	E 101-42110-503	Computers/Software/We	JUN- CAMERAS, EQUIP & SUPPLIES	\$45.25
Invoice				
Cash Payment	E 101-45500-210	Operating Supplies	JUN- CAMERAS, EQUIP & SUPPLIES	\$49.99
Invoice				
Cash Payment	E 101-45500-206	Visual Materials - Library	JUN- CAMERAS, EQUIP & SUPPLIES	\$138.10
Invoice				
Cash Payment	E 101-45500-401	Repairs/Maint Buildings	JUN- CAMERAS, EQUIP & SUPPLIES	\$275.09
Invoice				
Cash Payment	E 202-42153-200	Office Supplies	JUN- CAMERAS, EQUIP & SUPPLIES	\$95.90
Invoice				
Cash Payment	E 203-45000-210	Operating Supplies	JUN- CAMERAS, EQUIP & SUPPLIES	\$29.99
Invoice				
Cash Payment	E 603-49450-409	Rep/Sup-WW Facility	JUN- CAMERAS, EQUIP & SUPPLIES	\$884.95
Invoice				
Transaction Date	7/6/2023	Cash	10150	Total \$1,857.47
Refer 15352 ARAMARK				
Cash Payment	E 101-42110-210	Operating Supplies	JUNE MAT RENTALS & LINENS	\$47.72
Invoice				
Cash Payment	E 101-45500-220	Repair/Maint Supply	JUNE MAT RENTALS & LINENS	\$19.04
Invoice				
Cash Payment	E 202-42153-217	Other Operating Supplie	JUNE MAT RENTALS & LINENS	\$27.56
Invoice				
Cash Payment	E 203-45000-410	Rentals	JUNE MAT RENTALS & LINENS	\$778.39
Invoice				
Transaction Date	7/6/2023	Cash	10150	Total \$872.71
Refer 15353 ARLINGTON AUTO & FARM SUPPL				
Cash Payment	E 201-42280-485	Gas and Repair Miscella	JUNE- FD PARTS	\$18.88
Invoice				
Transaction Date	7/6/2023	Cash	10150	Total \$18.88
Refer 15354 ARLINGTON HAUS				
Cash Payment	E 101-43000-430	Miscellaneous	6/21/23 CLEAN-UP DAY - STAFF LUNCH	\$39.10
Invoice				
Transaction Date	7/6/2023	Cash	10150	Total \$39.10
Refer 15355 BOLTON & MENK, INC.				
Cash Payment	E 101-43000-303	Engineering Fees	ENG- '23 STREETS, '24 IMP, WTP REHAB	\$35,582.00
Invoice				
Cash Payment	E 401-43000-500	Capital Outlay	ENG- '23 STREETS, '24 IMP, WTP REHAB	\$5,213.50
Invoice				
Cash Payment	E 601-46350-303	Engineering Fees	ENG- '23 STREETS, '24 IMP, WTP REHAB	\$2,643.50
Invoice				
Cash Payment	E 603-49450-303	Engineering Fees	ENG- '23 STREETS, '24 IMP, WTP REHAB	\$1,054.50
Invoice				

## Payments

Current Period: JULY 2023

Cash Payment Invoice	E 101-45500-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$168.98
Cash Payment Invoice	E 201-42280-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$94.92
Cash Payment Invoice	E 202-42153-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$453.19
Cash Payment Invoice	E 203-45000-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$1,012.98
Cash Payment Invoice	E 601-49400-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$1,994.46
Cash Payment Invoice	E 603-49450-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$337.29
Cash Payment Invoice	E 603-49450-381	Electric & Heat Utilities	CITY UTILITY BILLS 5/15-6/15/23	\$1,833.18
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$7,373.89
Refer	15361 DELTA DENTAL OF MINNESOTA			
Cash Payment Invoice	G 101-21711	Health Ins. Premium	JULY- PED. DENTAL INS. PREMIUMS	\$57.00
Cash Payment Invoice	E 101-42110-131	Employer Paid Health/Lif	JULY- PED. DENTAL INS. PREMIUMS	\$85.50
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$142.50
Refer	15362 EVOLUTION SHIRTS			
Cash Payment Invoice	E 201-42280-417	Uniforms/Outerwear	FD- CLOTHING	\$208.97
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$208.97
Refer	15363 EXPERT BILLING			
Cash Payment Invoice	E 202-42153-301	Auditing and Acct g Serv	MAY- AMB. BILLING	\$1,008.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$1,008.00
Refer	15364 GAYLORD HUB			
Cash Payment Invoice	E 101-45500-205	Print Materials - Library	LIB- ANNUAL SUBSCRIPTION	\$45.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$45.00
Refer	15365 GLOBAL EQUIPMENT COMPANY, I			
Cash Payment Invoice	E 401-45202-500	Capital Outlay	PARKS- (3) PICNIC TABLES	\$3,143.99
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$3,143.99
Refer	15366 HAGGENMILLER LUMBER/SNOW			
Cash Payment Invoice	E 101-45202-220	Repair/Maint Supply	JUNE- MISC SUPPLIES	\$49.98
Cash Payment Invoice	E 201-42280-210	Operating Supplies	JUNE- MISC SUPPLIES	\$21.45
Cash Payment Invoice	E 201-42280-401	Repairs/Maint Buildings	JUNE- MISC SUPPLIES	\$35.41
Cash Payment Invoice	E 203-45000-406	Repairs, Supplies & Oth	JUNE- MISC SUPPLIES	\$36.45
Transaction Date	7/6/2023	Cash	10150	<b>Total</b> \$143.29
Refer	15367 HILDI, INC.			
Cash Payment Invoice	E 201-42280-301	Auditing and Acct g Serv	FIRE RELIEF- 1/1/23 ACTUARIAL REPORTS	\$1,100.00

## Payments

Current Period: JULY 2023

Cash Payment Invoice	E 101-43000-300	Professional Svcs	JUNE- ASH TREE & STUMP REMOVALS		\$2,800.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$2,800.00
Refer	15378 MADISON NATIONAL LIFE				
Cash Payment Invoice	E 101-41400-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$6.15
Cash Payment Invoice	E 101-42110-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$16.40
Cash Payment Invoice	E 101-43000-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$8.20
Cash Payment Invoice	E 101-45500-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$4.10
Cash Payment Invoice	E 202-42153-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$8.20
Cash Payment Invoice	E 203-45000-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$1.03
Cash Payment Invoice	E 604-49550-131	Employer Paid Health/Lif	JULY- DISABILITY INS. PREMIUMS		\$5.12
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$49.20
Refer	15379 MATHESON TRI-GAS				
Cash Payment Invoice	E 101-43000-210	Operating Supplies	JUN- SHOP TANK RENTALS		\$128.58
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$128.58
Refer	15380 MAVERICK AUTOMOTIVE				
Cash Payment Invoice	E 101-42110-480	Gas & Repair-Police Car	JUNE- FUEL		\$12.14
Cash Payment Invoice	E 101-43000-485	Gas and Repair Miscella	JUNE- FUEL		\$109.12
Cash Payment Invoice	E 101-45202-467	Gas & Repair - Mower	JUNE- FUEL		\$245.48
Cash Payment Invoice	E 201-42280-485	Gas and Repair Miscella	JUNE- FUEL		\$370.30
Cash Payment Invoice	E 202-42153-485	Gas and Repair Miscella	JUNE- FUEL		\$159.60
Cash Payment Invoice	E 207-49990-467	Gas & Repair - Mower	JUNE- FUEL		\$105.20
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$1,001.84
Refer	15381 MCLEOD PUBLISHING				
Cash Payment Invoice	E 101-41910-351	Legal Notices Publishing	JUN- PUBLISHING		\$68.80
Cash Payment Invoice	E 203-45000-340	Advertising	JUN- PUBLISHING		\$18.50
Cash Payment Invoice	E 207-49990-430	Miscellaneous	JUN- PUBLISHING		\$27.09
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$114.39
Refer	15382 MEDIACOM				
Cash Payment Invoice	E 101-41400-321	Telephone	JULY- CITY INTERNET & SOME PHONE		\$350.00
Cash Payment Invoice	E 101-42110-321	Telephone	JULY- CITY INTERNET & SOME PHONE		\$256.90
Cash Payment Invoice	E 101-43000-321	Telephone	JULY- CITY INTERNET & SOME PHONE		\$136.90

## Payments

Current Period: JULY 2023

Cash Payment Invoice	E 603-49450-180	Operator Contract	JULY- WWW SERVICES		\$13,250.00
Cash Payment Invoice	E 603-49450-392	Testing	JULY- WWW SERVICES		\$185.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$25,175.00
Refer	15390 RDO EQUIPMENT CO.				
Cash Payment Invoice	E 401-43000-500	Capital Outlay	NEW PAYLOADER (LESS TRADE)		\$197,629.97
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$197,629.97
Refer	15391 RENVILLE SIBLEY SANITATION				
Cash Payment Invoice	E 101-41940-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$40.02
Cash Payment Invoice	E 101-42110-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$9.58
Cash Payment Invoice	E 101-43000-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$71.06
Cash Payment Invoice	E 101-43000-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$1,739.99
Cash Payment Invoice	E 101-43000-385	Recycling	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$628.00
Cash Payment Invoice	E 101-45202-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$167.44
Cash Payment Invoice	E 101-45500-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$18.70
Cash Payment Invoice	E 201-42280-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$15.20
Cash Payment Invoice	E 202-42153-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$9.12
Cash Payment Invoice	E 203-45000-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$85.16
Cash Payment Invoice	E 603-49450-384	Refuse/Garbage Dispos	JUN- GARBAGE/RECYCLE, CLEANUP DAY		\$57.32
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$2,841.59
Refer	15392 RETROFIT LIGHTING & DESIGN				
Cash Payment Invoice	E 603-49450-409	Rep/Sup-VWV Facility	WWTP LIGHTING FINAL PMT		\$2,000.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$2,000.00
Refer	15393 RYAN WELLER				
Cash Payment Invoice	E 203-45000-401	Repairs/Maint Buildings	REIMB- ADD'L CC SPRKLR SYSTEM PARTS		\$166.71
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$166.71
Refer	15394 SAFETY & SECURITY CONSULTATI				
Cash Payment Invoice	E 201-42280-208	Training and Instruction	FIRE- 6/28/23 CAR FIRE TRAINING		\$1,200.00
Transaction Date	7/6/2023	Cash	10150	<b>Total</b>	\$1,200.00
Refer	15395 THOMES BROTHERS HARDWARE				
Cash Payment Invoice	E 101-42110-210	Operating Supplies	JUNE- MISC CHARGES		\$12.99
Cash Payment Invoice	E 101-45202-220	Repair/Maint Supply	JUNE- MISC CHARGES		\$203.28

Payments

Current Period: JULY 2023

Fund Summary

	10150 Cash
101 General Fund	\$68,424.02
201 Fire Fund	\$4,502.73
202 Ambulance Fund	\$3,597.80
203 Community Center Fund	\$2,985.02
207 Cemetery Fund	\$160.27
401 Capital Equipment Fund	\$205,987.46
601 Water Fund	\$15,719.53
602 Sewer Fund	\$740.00
603 AGI Sewer Fund	\$43,468.41
604 Electric Fund	\$601.98
	<hr/>
	\$346,187.22

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$346,187.22
Total	<hr/>
	\$346,187.22



**CITY COUNCIL MEETING MINUTES  
JUNE 21, 2023, AT 6:30 PM  
COUNCIL CHAMBERS**

*The City Council is provided background information for agenda items in advance by city staff, committees, and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the mayor during the “Citizens addressing the Council” portion of the agenda.*

**1. Call Meeting to Order and Pledge of Allegiance-**

*Meeting was called to order by Mayor Scharpe at 6:30 pm. All stood for the Pledge of Allegiance.*

**2. Roll Call-**

*Members Present- Mayor Matthew Scharpe, Councilmembers Dave Meyer, John Thomes, Jeff Matz, Christina Litfin and Curtis Ling*

*Members Absent- None*

*Staff Present- City Administrator Jessica Steinke*

*Guests Present- Kurt Menk Arlington Enterprise, Curt Reetz*

**3. Approval of the Agenda-**

*Ling made a motion to approve the agenda. Meyer seconded. Motion carried all voting in favor.*

**4. Citizens Addressing the Council**

*No one addressed the Council.*

**CONSENT AGENDA**

**5. Approval of Consent Agenda**

A) Approval of Bills

B) Approve June 5, 2023, Council Meeting Minutes

C) Approve June 13, 2023, Special Council Meeting Minutes

D) Resignation of Ali Pedraza as Paramedic from the Arlington Ambulance

E) Resignation of Breanna Stier as Paramedic from the Arlington Ambulance

F) Approval of liquor license for Sibley County Ag Association for 8/2-8/6/2023

*Matz made a motion to approve the consent agenda items. Thomes seconded. Motion carried all voting in favor.*

**REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

6. May Police Report – Written report submitted in packet.

7. City Administrator Update, Jessica Steinke

- *Requested Approval of DDA Market Study Comparators*

**OLD BUSINESS**

8. Consideration of SCSC and CEDA

*Thomes made a motion to approve the hiring of CEDA for Planning & Zoning and EDA assistance. Litfin seconded. Motion carried all voting in favor.*





9. Brooks St. Lift Station Rehab Project Quotes-

*Meyer made a motion to accept bid from Quality Flow for \$88,824.00. Thomes seconded. Motion carried all voting in favor.*

**NEW BUSINESS**

10. Modification of the event center use and rental policy section XIV. Clean Up-

*Matz made a motion to accept modification to the Event Center use and rental policy. Thomes seconded. Motion carried all voting in favor.*

11. Resolution 26-2023 ACCEPTING A DONATION AND DESIGNATING ITS USE-

*Litfin made a motion to approve Resolution 26-2023. Meyer seconded. Motion carried all voting in favor.*

**MISCELLANEOUS BUSINESS**

12. Change order No. 1 for the 2023 Street & Utility Improvements-

*Meyer made a motion to approve change order no. 1 for the 2023 street & utility improvements. Litfin seconded. Motion carried all voting in favor.*

**ADJOURNMENT**

*Thomes made a motion to adjourn the meeting at 6:49 pm. Meyer seconded. Motion carried all voting in favor.*

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City Administrator Jessica Steinke

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Mayor Matthew Scharpe



Councilmember \_\_\_\_\_ introduced the following resolution and moved for its adoption:

**RESOLUTION 27-2023**

**Resolution Ordering Improvement and Preparation of Plans**

WHEREAS, a resolution of the city council adopted the **5th day of June, 2023** fixed a date for a council hearing on **2024 Street & Utility Improvement**, the proposed improvement of:

- W Chandler Street between 411<sup>th</sup> Avenue to MN TH 5
- W Brooks Street between 8<sup>th</sup> Avenue to MN TH 5
- W Alden Street between 7 ½ Avenue NW to MN TH 5
- 8<sup>th</sup> Avenue NW between W Brooks Street and Sibley County Fairgrounds
- 7 ½ Avenue NW between W Main Street and W Brooks Street
- 7<sup>th</sup> Avenue NW between W Main Street and W Douglas Street
- 6<sup>th</sup> Avenue NW between W Main Street and W Chandler Street

WHEREAS, ten days' mailed notice and two weeks' published notice of the hearing was given, and the hearing was held thereon on the **10th day of July, 2023**, at which all persons desiring to be heard were given an opportunity to be heard thereon,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ARLINGTON, MINNESOTA:

1. Such improvement is necessary, cost-effective, and feasible as detailed in the feasibility report.
2. Such improvement is hereby ordered as proposed in the council resolution adopted **5th day of June, 2023**.
3. Bolton & Menk, Inc. is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.
4. The city council declares its official intent to reimburse itself for the costs of the improvement from the proceeds of tax exempt bonds.

The foregoing resolution was adopted by the City Council of the City of Arlington on this 10th day of July 2023.

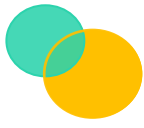
Signed: \_\_\_\_\_

Mayor Matthew Scharpe

Attest: \_\_\_\_\_

City Administrator Jessica Steinke

Hereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator



July 3, 2023

City of Arlington  
 Jessica Steinke, City Administrator  
 204 Shamrock Drive  
 Arlington, MN 55307

**RE: 2024 Street & Utility Reconstruction Project Financing**

Honorable Mayor, Council Members, and Administrator Steinke:

The purpose of this letter is to provide preliminary project financing information regarding the proposed street and utility reconstruction project for 2024. The information provided is based on the preliminary cost estimates provided in the Preliminary Engineering Report for the project. Based on that information, my understanding of the project costs are as follows:

Construction, Engineering, & Contingency	\$7,801,282.00
Underwriter's Discount	100,875.00
Fiscal, Legal, Pay Agent	51,500.00
Credit Rating	18,500.00
Capitalized Interest	109,051.27
<b>TOTAL PROJECT COSTS:</b>	<b>\$8,081,208.27</b>

The funding sources to be utilized to finance project costs are summarized below:

<b>G.O. Improvement &amp; Utility Revenue Bonds</b>	<b>\$8,070,000.00</b>
Construction Fund Earnings	11,208.27
<b>TOTAL FUNDING SOURCES:</b>	<b>\$8,081,208.27</b>

**Payment and Revenue Requirements:**

Based on current market conditions it is anticipated that annual debt service will total approximately \$590,000 per year for the proposed bond issue if the project is financed over a term of 20-years (see attached preliminary cash flow). It is anticipated that tax levy will fund approximately \$208,000 per year, storm sewer revenues will fund approximately \$106,000 per year, water revenues will fund approximately \$92,000 per year, sanitary sewer revenues will fund approximately \$82,000 per year, and special assessments of \$1,612,814 levied over a 20-years at 5.1% interest will provide \$130,516 in annual revenue to be applied to debt service. The total estimated revenues exceed the actual payment by 5% to demonstrate that the City can meet statutory debt coverage for the proposed bonds.

The individual impacts to utility rates and tax levy are estimated as follows:

**Tax Impact:**

The attached debt service schedule estimates the tax levy associated with the proposed bond issue to be an average of \$208,000 per year starting in 2025. This will account for a levy increase of approximately 20% in future years unless budget adjustments are made to reduce other expenses. At the Council's direction, it would be possible to phase in the projected increase over 2-3 years if needed.

**Water Rates:**

Based on a review of the prior year's audit (2022) I would anticipate that the City would need to increase water revenues by 16% (over 2022) in the water utility to support the additional debt service of \$92,000 per year for the proposed project.

**Sanitary Sewer Rates:**

The preliminary debt service schedule calls for an annual contribution from the sanitary sewer fund of approximately \$82,000 per year. As the 2015 Sewer Bonds will be paid off in early 2024 (\$35,000 per year in debt service), and the utility generated a cash surplus of \$86,360 in 2022 (after capital expenditures of \$76,492), I believe that rates can be monitored as the project is implemented and an increase may not be necessary.

**Storm Sewer Rates:**

The storm sewer utility saw positive cashflow in 2022 of \$13,873. As the estimated debt service for the project attributed to Storm Sewer is projected to be \$106,000 if the proposed bond issue would rely on storm sewer utility revenues to pay for the storm sewer component, it is estimated that an additional \$92,000 per year would be needed which equates to a rate/fee increase of approximately 65% over what was collected in 2022.

**Special Assessments:**

It is customary to include special assessments for street/utility reconstruction projects. The attached preliminary bond schedule assumes that \$1,612,814 in project costs will be specially assessed against benefiting properties (not including City-owned property) over a 20-year term at an interest rate of 5.1%. Special assessments in general reduce the impacts that improvement projects have on the tax levy. The interest rate assigned to the special assessments is consistent with past improvement projects that have been implemented by the City.

**Estimated Impact of Project:**

To provide an estimate of the total impact for someone located within the project area that resides in a home with an assessor's estimated market value of \$150,000 and uses approximately 5,000 gallons of water per month, I would offer the following:

Annual Property Tax Dedicated to Debt for 2024 Bonds:	\$138.73
Annual Increase to Water fees for 2024 Project:	\$378.58
Annual Increase to Storm Water Fees for 2024 Project:	\$85.96
Annual Special Assessment Payment on \$14,675.17:	\$1,187.58
 Total Annual Impact for a \$150,000 home in project area:	 \$1,790.85

**Alternatives to be considered:**

Rural Development (Federal) and the Minnesota Public Facilities Authority (State) offer competitive programs for the reconstruction of streets and utilities and the City may be grant eligible given the scope of the project. The rates and terms offered by both agencies are likely lower than those obtained through the issuance of bonds. The lead time and added cost of working through their processes would need to be taken into consideration along with the competitiveness of an application for each program.

Let me know if I can be of any additional assistance in answering questions regarding the information provided.

Sincerely,



Shannon Sweeney, Associate  
David Drown Associates, Inc.

**\$8,070,000**  
**General Obligation Improvement & Utility Revenue Bonds, Series 2024A**

Uses of Funds		
Street Reconstruction		4,225,644.17
Utility Reconstruction		3,575,637.83
Other		-
<b>Total Project Costs</b>		<b>7,801,282.00</b>
Underwriter's Discount Allowance	1.250%	100,875.00
Unused Underwriter's Discount Allowance		-
Fiscal Fee		30,000.00
Bond Counsel		18,000.00
Printing & Misc		2,000.00
Paying Agent		1,500.00
Rating Agency		18,500.00
Capitalized Interest		109,051.27
Accrued Interest		-
Rounding		-
		<u>8,081,208.27</u>

Sources of Funds	
Bond Issue	8,070,000.00
Construction Fund Earnings	11,208.27
Cash Contribution	-
	<u>8,081,208.27</u>

**Payment Schedule & Cashflow**

Payment Schedule					
12-Month Period ending	Principal	Interest Rate	Interest	Payment Total	plus 5% Coverage
6/4/2024	-		-	-	
2/1/2025	-	0.00%	199,064	199,064	203,564
2/1/2026	285,000	3.40%	302,375	587,375	616,744
2/1/2027	295,000	3.20%	292,685	587,685	617,069
2/1/2028	305,000	3.20%	283,245	588,245	617,657
2/1/2029	320,000	3.20%	273,485	593,485	623,159
2/1/2030	330,000	3.20%	263,245	593,245	622,907
2/1/2031	335,000	3.15%	252,685	587,685	617,069
2/1/2032	345,000	3.25%	242,133	587,133	616,489
2/1/2033	355,000	3.25%	230,920	585,920	615,216
2/1/2034	375,000	3.30%	219,383	594,383	624,102
2/1/2035	385,000	3.30%	207,008	592,008	621,608
2/1/2036	395,000	3.80%	194,303	589,303	618,768
2/1/2037	410,000	3.80%	179,293	589,293	618,757
2/1/2038	430,000	4.00%	163,713	593,713	623,398
2/1/2039	445,000	4.00%	146,513	591,513	621,088
2/1/2040	455,000	4.10%	128,713	583,713	612,898
2/1/2041	480,000	4.10%	110,058	590,058	619,560
2/1/2042	500,000	4.15%	90,378	590,378	619,896
2/1/2043	520,000	4.25%	69,628	589,628	619,109
2/1/2044	540,000	4.25%	47,528	587,528	616,904
2/1/2045	565,000	4.35%	24,578	589,578	619,056
	8,070,000		3,920,926	11,990,926	12,585,020

Bond Details	
Set Sale Date	3/18/2024
Sale Date	5/6/2024
Dated Date	6/4/2024
Closing Date	6/4/2024
1st Interest Payment	2/1/2025
Proceeds spent by:	12/31/2026
	<i>to Dated Date</i>
Purchase Price	7,969,125.00
Net Interest Cost	4,021,801.04
Net Effective Rate	4.0407%
Average Coupon	3.9393%
Yield	TBD
Average Life	12.334
Call Option	2/1/2031
Purchaser	Proposed for Competitive Sale
Bond Counsel	Dorsey
Pay Agent	U.S. Bank, N.A.
Tax Status	<b>Tax Exempt, Bank Qualified</b>
Continuing Disclosure	Full
Rebate	Subject to Rebate
Statutory Authority	M.S. 444 & 475

Pledged Revenues						Account Balances	
Collection Year	Tax Levy	Water Revenues	Sanitary Sewer Revenues	Storm Sewer Revenues	Special Assmts	Surplus (deficit)	Account Balance
					Capitalized & accrued interest >		109,051
2024	-	31,189	27,409	35,915	-	(109,051)	-
2025	206,164	92,421	81,219	106,424	130,516	-	-
2026	205,880	92,622	81,395	106,656	130,516	-	-
2027	205,754	92,858	81,602	106,927	130,516	-	-
2028	210,710	93,038	81,761	107,134	130,516	-	-
2029	210,080	93,163	81,870	107,278	130,516	-	-
2030	209,282	91,499	80,409	105,363	130,516	-	-
2031	208,414	91,595	80,492	105,473	130,516	-	-
2032	207,180	91,582	80,481	105,458	130,516	-	-
2033	211,025	93,245	81,942	107,373	130,516	-	-
2034	209,172	93,034	81,757	107,130	130,516	-	-
2035	207,146	92,765	81,521	106,820	130,516	-	-
2036	209,067	92,127	80,960	106,086	130,516	-	-
2037	210,590	93,157	81,865	107,271	130,516	-	-
2038	211,220	92,186	81,012	106,154	130,516	-	-
2039	206,180	91,147	80,099	104,957	130,516	-	-
2040	211,167	91,699	80,584	105,593	130,516	-	-
2041	210,259	92,110	80,945	106,066	130,516	-	-
2042	208,776	92,340	81,147	106,331	130,516	-	-
2043	206,558	92,344	81,151	106,335	130,516	-	-
2044	209,143	92,201	81,025	106,171	130,516	-	-
	4,173,768	1,878,321	1,650,646	2,162,915	2,610,319		-

# CMC Construction Inc.

412 East Baker Street.  
Arlington, MN 55307

## Estimate

DATE
5/24/2023

NAME / ADDRESS
City of Arlington 204 Shamrock Drive Arlington, MN. 55307 Att. Kerby

DESCRIPTION	TOTAL
2023 City of Arlington sidewalk project \$8.50 per square foot remove and replace \$3.50 per square foot removal  Project not to exceed \$25,000  All landscaping grass planting to be done by others	
We appreciate the opportunity to bid this job.	<b>TOTAL</b>

SIGNATURE \_\_\_\_\_

Phone #	Fax #
507-380-3202	

**Wentzlaff Masonry Construction**  
**571 4th St.**  
**Green Isle, MN 55338**  
**Licensed Contractor 20071353**  
**Cell 612.270.4821**

# Estimate

Date	Estimate #
6/2/2023	

City of Arlington

Description	Total
<p>Estimate to take out and replace sidewalks in the City of Arlington.</p> <p>Included with estimated cost;</p> <p>Take out existing sidewalk concrete.  Hauling away old concrete.  To form sidewalks, prep gravel base, pour concrete, expansion cut, broom.  Gravel as 2" average base under sidewalks.  # 3 rebar running continuous with lap in sidewalk concrete.</p> <p>ESTIMATED COST PER SQUARE FOOT.</p>	8.75

The ESTIMATE is for completing the job as described above. It is based on our evaluation and does not include materials which may be required should unforeseen problems or adverse weather conditions arise after the work has started.

NOTE: This estimate may be withdrawn by us if not excepted by _____	<b>Total</b> \$8.75
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## **PROPOSED ORDINANCE AMMENDMENT**

The proposed ordinance amendment is to amend Ordinance No. 250 subdivision 8(A) subpart 3 from: *Each dwelling unit shall have at least a four-twelve (4:12) roof pitch and shall be covered with shingles, tiles or a concealed-fastener metal roof, unless a conditional use permit is issued as provided in section 17, subdivision 8(A)(5) and in section 22 of this ordinance, as may be amended.* To: *Each dwelling unit shall have at least a four-twelve (4:12) roof pitch and shall be covered with shingles, tiles or metal roofing.*