

**THIEF RIVER FALLS CITY COUNCIL
AGENDA
TUESDAY – OCTOBER 2, 2018**

**COUNCIL CHAMBERS
CITY HALL – 405 3RD STREET EAST
5:30 PM**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. PUBLIC FORUM** – *Individuals may address the City Council about any item not included on the regular agenda. A maximum of 5 minutes is allotted for the public forum. Speakers are requested to come to the microphone, state their name and address for the record, and limit their remarks to five minutes. The City Council will not take official action on items discussed at this time, with the exception of referral to staff or a committee, board or commission for a future report.*
- 5. PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION ANNOUNCEMENTS**
 - Rail Safety Week Proclamation (page 3)
 - Minnesota Manufacturing Week Proclamation (page 4)
- 6. APPROVE AGENDA** – *Council members may add items to the agenda for discussion purposes or staff direction. The Council will not normally take official action on items added to the agenda.*
- 7. CONSENT AGENDA** – *These items are considered routine in nature and are approved with one motion without discussion/debate. The Mayor will ask if any Council member wishes to remove an item and place it on the regular agenda for discussion and consideration. If no items are to be removed, the Mayor will then ask for a motion to approve the Consent Agenda.*
 - 7.01 Approval of September 18, 2018 Council Proceedings (page 5-17)
 - 7.02 City of Thief River Falls Bills and Disbursements
- 8. NEW BUSINESS**
 - 8.01 Resolution authorizing issuance and sale of General Obligation Bonds, Series 2018B (page 18-44)
 - 8.02 NW Minnesota Foundation’s “Communities Thrive” program – letter of support (page 45-46)

- 9. COUNCIL BOARDS AND COMMISSIONS REPORTS** – *Not all boards or commissions will have met prior to the Council meeting. These reports are intended to keep the other council members informed of actions or proposed actions taken by these boards and commissions. Only those with something to report would be on the agenda.*

10. UPCOMING MEETINGS

- 10.01 Committee of the Whole – October 2nd following City Council Meeting
- 10.02 Utilities Committee Meeting – October 8th at 7:00 a.m.
- 10.03 Public Safety/Liquor Committee - Committee of the Whole – October 8th at 4:30 p.m.
- 10.04 Administrative Services Committee Meeting – October 9th at 4:30 p.m.
- 10.05 Public Works Committee – Committee of the Whole – October 10th at 4:30 p.m.
- 10.06 City Council Meeting – October 16th at 5:30 p.m.
- 10.07 2018 Street & Utilities Assessment Hearing – October 16th at 7:00 p.m.
- 10.08 Joint City Council/MnDOT Meeting – October 31st at 9:30 a.m.
- 10.09 Joint City Council/School District Meeting – November 15th at 5:30 p.m. at District Service Center

11. INFORMATIONAL ITEMS

- Canadian Pacific Holiday Train (page 47-48)
- GGMC Annual Fall Conference (page 49-51)

12. ADJOURNMENT



**RAIL SAFETY WEEK
OCTOBER 7-13, 2018
PROCLAMATION**

WHEREAS the City of Thief River Falls supports highway-rail grade crossing and pedestrian safety programs; and

WHEREAS, highway-grade crossing crashes result in numerous deaths and injuries annually; and

WHEREAS, pedestrian-railroad trespass incidents on railroad property also cause multiple injuries and deaths; and

WHEREAS, highway-grade crossing crashes are more severe than highway collisions and more likely to result in death and injury; and

WHEREAS, collisions between trains and motor vehicles or trains and pedestrians can be prevented by increased public awareness of the dangers at crossings and around railroad property and public knowledge of the appropriate safety laws; and

WHEREAS, Operation Lifesaver is the foremost public information and education program dedicated to preventing highway-rail grade crossing crashes and pedestrian-railroad trespass incidents; and

WHEREAS, during the week of October 7-13, 2018 and throughout the year, all citizens are encouraged to observe added caution whether as motorists or pedestrians near tracks or trains; and

WHEREAS, this important observance should lead to greater safety awareness and a reduction in highway-rail grade crossings crashes and pedestrian-railroad incidents.

NOW THEREFORE, BE IT RESOLVED, I, Brian Holmer, Mayor of Thief River Falls, do hereby proclaim Rail Safety Week and encourage all citizens to participate in activities to reduce crossing crashes and pedestrian-railroad trespass incidents during this week and throughout the year.

In witness whereof I have hereunto set my hand and caused this seal to be affixed this 2nd day of October, 2018.

Brian D. Holmer, Mayor



MINNESOTA MANUFACTURING WEEK PROCLAMATION

WHEREAS, Manufacturing is a dynamic and robust industry, crucial to the health and strength of Minnesota's diverse economy; and

WHEREAS, The manufacturing industry contributed \$49.2 billion to Minnesota's economy in 2017, and at 16 percent, is the largest sector contributing to the state's private gross domestic product; and

WHEREAS, In 2017, workers took home \$21 billion in wages from Minnesota manufacturing jobs, the second-highest amount among the state's business sectors; and

WHEREAS, Manufactured exports brought \$19 billion into the Minnesota economy in 2017; and

WHEREAS, Manufacturing provides 319,000 highly skilled, well-paying jobs, which significantly contribute to Minnesota's high standard of living and economic vitality;

WHEREAS, Manufacturing in Minnesota pays an average annual wage of \$65,728, which is 16 percent higher than the state's overall average wage.

NOW THEREFORE, BE IT RESOLVED, I, Brian Holmer, Mayor of Thief River Falls, do hereby proclaim that the week of October 1 to October 7, 2018 shall be observed as:

MINNESOTA MANUFACTURING WEEK

In witness whereof I have hereunto set my hand and caused this seal to be affixed this 2nd day of October, 2018.

Brian D. Holmer, Mayor

SEPTEMBER 18, 2018

The City Council of Thief River Falls, Minnesota, met in regular session at 5:30 p.m. on September 18, 2018 in the Council Chambers of City Hall. The following Councilmembers were present: Holmer, Howe, Aarestad, Narverud, Sollom and Brown. Councilmember Prudhomme was absent. Mayor Holmer chaired the meeting.

PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION ANNOUNCEMENTS

- Northwest Regional Library – Kristi Hanson

APPROVAL OF AGENDA

Councilmember Howe motioned, being seconded by Councilmember Brown, to approve the agenda as presented. On vote being taken, the motion was unanimously approved.

RESOLUTION NO. 9-210-18: APPROVAL OF COUNCIL PROCEEDINGS

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-210-18, being seconded by Councilmember Brown, that:

RESOLVED, by the City Council, to approve September 4, 2018 Council Proceedings.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-211-18: APPROVAL OF PAYMENT OF BILLS

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-211-18, being seconded by Councilmember Brown, that:

RESOLVED, by the City Council, to authorize payment of bills and disbursements in the total amount of \$1,572,714.04. A printout of the approved payments and disbursements is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-212-18: APPROVAL OF OFF-SITE GAMBLING APPLICATION FOR THIEF RIVER FALLS AMATEUR HOCKEY ASSOCIATION (TRFAHA) TO CONDUCT RAFFLE AT THE RALPH ENGELSTAD ARENA

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-212-18, being seconded by Councilmember Brown, that:

WHEREAS, the Thief River Falls Amateur Hockey Association (TRFAHA) is required to obtain the City's approval to conduct a raffle at the Ralph Engelstad Arena, prior to TRFAHA submitting an Off-Site Gambling application to the State of Minnesota.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to authorize the Thief River Falls Amateur Hock-

ey Association to conduct a raffle at the Ralph Engelstad Arena, 525 Brooks Avenue North, Thief River Falls; property located in the City limits of Thief River Falls, on January 26, 2019.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-213-18: APPROVAL OF PROGRESSION RAISE FOR WYATT WHEELER, APPRENTICE LINEMAN

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-213-18, being seconded by Councilmember Brown, that:

WHEREAS, Mr. Wheeler was hired as an Apprentice Lineworker on September 21, 2016 and has successfully progressed through the salary schedule and is now eligible for Step 5.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Utilities Committee recommendation to grant Wyatt Wheeler, Apprentice Lineworker, a progression raise. Mr. Wheeler shall progress to Step 5 of the Apprentice Lineworker salary schedule for a new hourly wage of \$28.79 effective September 21, 2018.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-214-18: APPROVAL OF PROGRESSION RAISE FOR JAMISON KARLBERG-STEER, PATROL OFFICER

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-214-18, being seconded by Councilmember Brown, that:

BE IT RESOLVED, by the City Council, to accept the Public Safety/Liquor Committee recommendation to grant Jamison Karlberg-Steer, Patrol Officer, a progression raise. Officer Karlberg-Steer shall progress to Step 3 of the LELS Patrol Officer salary schedule for a new salary of \$27.64 per hour, effective September 26, 2018.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-215-18: APPROVAL OF PROGRESSION RAISE FOR MARAH FROILAND, PART-TIME OFF-SALE CLERK

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-215-18, being seconded by Councilmember Brown, that:

WHEREAS, Ms. Froiland has completed the required 2,080 hours of part-time employment.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Safety/Liquor Committee recommendation to grant Marah Froiland, part-time Off-Sale Clerk, a progression raise to Step 3 of the Off-Sale Clerk salary schedule. Ms. Froiland's new hourly wage

shall be \$19.19 per hour, retroactive to her completion of 2,080 hours of employment (August 17, 2018).

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-216-18: APPROVAL OF PROGRESSION RAISE FOR WADE COTA, PUBLIC WORKS MAINTENANCE

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-216-18, being seconded by Councilmember Brown, that:

WHEREAS, Mr. Cota has successfully followed the salary schedule for this position.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Works Committee recommendation to grant Wade Cota, Public Works Maintenance (Streets/Sanitation), a progression raise to Step 4 of 5 of the Public Works Maintenance salary schedule, for a new hourly salary of \$23.28 per hour, effective September 27, 2018.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-217-18: APPROVAL OF EAGLES LIQUOR LICENSE ADDENDUM

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-217-18, being seconded by Councilmember Brown, that:

RESOLVED, by the City Council, to accept the Public Safety/Liquor Committee recommendation to approve temporary extension of the Eagles On-Sale Intoxicating Liquor License to an outside fenced off designated area effective September 28-29, 2018 from 8:00 a.m. – midnight.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-218-18: APPROVAL TO SET FEE FOR TEMPORARY INTOXICATING LIQUOR LICENSE AT A CITY-OWNED SPORTS OR CONVENTION FACILITY

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-218-18, being seconded by Councilmember Brown, that:

WHEREAS, City Code §111.085 provides: “*Any holder (except a club) of an intoxicating liquor license issued by the City may apply to the Council for a special license to dispense intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports or convention facility owned by the City and located within the City.*” The cost of the license fee is presently is set at \$25.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to set fee of \$150 for a special license to dispense intoxicating liquor at city owned facility.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-219-18: APPROVAL OF MOTOR GRADER RENTAL AGREEMENT WITH BUTLER MACHINERY AND DECLARE 1991 JOHN DEERE MOTOR GRADER AS SURPLUS PROPERTY

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-219-18, being seconded by Councilmember Brown, that:

WHEREAS, the city owns and maintains a fleet of vehicles and equipment for snow removal and other street maintenance operations. The efficient plowing of streets and removing snow in the central business district requires two motor graders. The city currently owns a 2011 John Deere 770 and a 1991 John Deere 770 with wings. The 1991 is 27 years old in need of replacement; and

WHEREAS, the city requires two motor graders in the winter months, November through March, but only needs one motor grader in the summer. A new motor grader with wing costs a little over \$300,000.00. Rather than purchasing one at this time staff recommends selling the 1991 John Deere, which is valued at approximately \$20,000.00, and rent the second motor grader during the winter months. Substantial investments are anticipated to sustain the 1991 John Deere as a reliable piece of snow removal equipment.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Works Committee recommendation to approve a motor grader rental agreement with Butler Machinery and declare a 1991 John Deere 770 motor grader with wing as surplus property.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-220-18: APPROVAL TO SET TOURIST PARK RATES

Presented as part of the Consent Agenda, Councilmember Narverud introduced Resolution No. 9-220-18, being seconded by Councilmember Brown, that:

WHEREAS, the weakness of the Canadian Dollar makes the practice of accepting Canadian Currency at par as a marketing tool for Canadian tourists no longer feasible.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to set Tourist Park Rates as follows:

| | <u>Daily</u> | <u>Weekly</u> | <u>Monthly</u> | <u>Seasonal</u> <u>(May 15-Sept 15)</u> |
|-------------------|--------------|---------------|----------------|--|
| Primitive Camping | \$20 | \$120 | | |

| | | | | |
|----------------------|------------|-------|-------|--------|
| Electricity w/ cable | \$25 | \$150 | \$450 | \$1300 |
| Full Hook-Up | \$30 | \$180 | \$550 | \$1650 |
| Wood | \$6/bundle | | | |

Canadian Currency will no longer be accepted.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-221-18: APPROVE THE PARK USE FOR “HOLIDAY LIGHTS IN TOURIST PARK” BY BRENNA DREVLLOW

Removed from the Consent Agenda, Councilmember Brown introduced Resolution No. 9-221-18, being seconded by Councilmember Aarestad, that:

WHEREAS, for the past three Holiday seasons Brenna Drevlow has used the Tourist Park for operating Brenna’s Brigade fundraiser, “Holiday Lights in Tourist Park,” benefitting the Arthritis Foundation. Over the first three years they have raised over \$20,000 towards this important cause. The City has allowed use of the park free of cost to help raise funds for Juvenile Arthritis research and ultimately, to find a cure for JA so that kids like Brenna can live free from the pain of this auto-immune disease.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Works Committee recommendation to approve the park use for “Holiday Lights in Tourist Park” by Brenna Drevlow.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-222-18: APPROVAL OF EMPLOYMENT OF IAN LUND AS APPRENTICE LINEMAN IN THE ELECTRIC DEPARTMENT

The City Council reviewed a Request for Council Action. Councilmember Brown introduced Resolution No. 9-222-18, being seconded by Councilmember Howe, that:

WHEREAS, the City Council authorized filling of this Apprentice Lineworker position by Resolution No. 8-197-18. This Apprentice Lineworker position is replacing the Lineworker position vacated by Chris Klie.

THEREFORE, BE IT RESOLVED, by the City Council, to approve the employment of Ian Lund as an Apprentice Lineworker in the Electric Department. Mr. Lund shall be placed at Step 1 of the Apprentice Lineworker salary schedule for a starting wage of \$25.67 per hour, effective October 1, 2018. Employment is based upon successful completion of required background evaluations and shall serve a six month probation as required by Teamster Union contract.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-223-18: APPROVAL OF PROPOSED 2019 TAX LEVY, COLLECTIBLE IN 2019

The City Council reviewed a request for council action regarding proposed 2019 tax levy. Following discussion, Councilmember Narverud introduced Resolution No. 9-223-18, being seconded by Councilmember Sollom, that:

RESOLVED, by the City Council of Thief River Falls, County of Pennington, Minnesota, that the following sums of money be levied for the current year, collectible in 2019, upon taxable property in the City of Thief River Falls, for a total proposed levy of \$2,245,511. This represents \$129,542 or approximately 6.12% increase over last year's levy.

It should be noted that with the proposed tax capacity increase for 2019, a 6.12% tax levy increase in 2018 results in a 0% tax capacity rate change.

BE IT FURTHER RESOLVED, that the Truth-n-Taxation public meeting will be held on December 4, 2018 at 6:00 p.m. to discuss the 2019 budget & levy. Final budget and levy will be adopted at the December 18, 2018 council meeting.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-224-18: APPROVAL OF PRELIMINARY 2019 BUDGET SUMMARY

The City Council reviewed a request for council action regarding 2019 Budget. Following discussion, Councilmember Sollom introduced Resolution No. 9-224-18, being seconded by Councilmember Howe, that:

RESOLVED, by the City Council, to adopt the City of Thief River Falls Preliminary 2019 Budget. A summary of the 2019 revenue and expenditures is as follows:

| | 2019 <u>REVENUE</u> | 2019 <u>EXPENSE</u> | FUND BALANCE RESERVES <u>+ OR -</u> |
|----------------------------|------------------------|------------------------|---|
| General Fund | \$ 9,680,404 | \$10,000,736 | \$ (320,332) |
| Liquor Dispensary | \$ 4,702,909 | \$ 4,798,238 | \$ (95,329) |
| Electric Utility Fund | \$14,885,000 | \$15,266,594 | \$ (381,594) |
| Storm Water Utility Fund | \$ 237,000 | \$ 93,545 | \$ 143,455 |
| Water Utility Fund | \$ 2,666,617 | \$ 2,508,639 | \$ 157,978 |
| Wastewater Utility Fund | \$ 1,009,050 | \$ 747,017 | \$ 262,033 |
| Police Relief Pension Fund | \$ 9,813 | \$ 11,158 | \$ (1,345) |
| Debt Service Fund | \$ 646,448 | \$ 702,300 | \$ (55,852) |
| TOTALS | \$33,837,241 | \$34,128,227 | \$ (290,986) |

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-225-18: APPROVAL OF ORDINANCE NO. 116, 3RD SERIES, OF

THE CITY OF THIEF RIVER FALLS, MINNESOTA, AMENDING CITY CODE CHAPTER 72 ENTITLED "PARKING REGULATIONS" BY AMENDING 72.08 (A) AND ADDING SUBDIVISION (C) , TO AMEND THE DATES OF EFFECTIVENESS AND TIMES OF PARKING RESTRICTIONS, AND ALSO ESTABLISHES A PARKING RESTRICTION ON ALL STREETS AND AVENUES IN THE CENTRAL BUSINESS DISTRICT AT DESIGNATED TIMES ALL YEAR ROUND, AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 10, WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS

Councilmember Sollom motioned, being seconded by Councilmember Aarestad, to call for the second reading amending City code chapter 150 entitled "building regulations" by adopting Minnesota state fire code appendix "k" relating to fires and barbeques on balconies or patios. The motion was unanimously carried. City Attorney Sparby read the proposed ordinance.

Councilmember Aarestad introduced Resolution No. 9-225-18, being seconded by Councilmember Brown, that:

THE CITY COUNCIL OF THIEF RIVER FALLS ORDAINS:

Section 1. City Code Chapter 72.08 (C) and (D) are hereby added to read as follows:

(C) CENTRAL BUSINESS DISTRICT STREETS AND AVENUES. It is a Petty Misdemeanor for any person to park or leave standing, between November 15th and March 15th of the following year, any motor vehicle on any street or avenue in the Central Business District between 2:00 a.m. and 6:00 a.m. on any day. This area is bordered by Fourth Street on the north, Knight Avenue on the west, First Street on the south, and the Canadian Pacific Railroad on the east (including LaBree Avenue east to the former hospital emergency entrance). This restriction excludes state highways.

(D) SNOW EMERGENCY. The Mayor has the ability to declare a snow emergency and start calendar parking city wide before November 15th or after March 15th of the following year.

Section 2. City Code Chapter 10 entitled "General Provisions" are hereby adopted in their entirety, by reference, as though repeated verbatim herein.

Section 3. This ordinance shall be in force and effect from and after its passage, approval, and publication.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-226-18: APPROVAL OF 2018 SNOW REMOVAL POLICY

The City Council reviewed a Request for Council Action. Councilmember Narverud introduced Resolution No. 9-226-18, being seconded by Councilmember Howe, that:

WHEREAS, the City of Thief River Falls has a snow removal policy for streets, trails and sidewalks. This policy provides direction for staff on snow removal operations and

protects the city from liability relating to the amount of snow on streets and sidewalks and the time and order in which it is removed; and

WHEREAS, each year the policy is reviewed, new streets and sidewalks are added and the updated policy is adopted. The existing policy was incorporated with the League of Minnesota Cities model ordinance and reviewed in great detail with the Public Works Committee. The Public Works Department this policy merges snow removal efforts between the Street/Sanitation and Park staff to better utilize people and equipment.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Works Committee recommendation to approve the 2018 Snow Removal Policy.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-227-18: APPROVAL TO PURCHASE AND SUPERVISED INSTALLATION OF ANNIE PARK PLAYGROUND EQUIPMENT FROM ST. CROIX RECREATION COMPANY, INC

The City Council reviewed a Request for Council Action. Councilmember Brown introduced Resolution No. 9-227-18, being seconded by Councilmember Narverud, that:

WHEREAS, Annie Park is situated between Greenwood Street and Annie Street just east of the Canadian Pacific Railroad. This four acre parcel was purchased from Florentine Kozojed in 1966 for \$1.00. This park had limited playground equipment and was given consideration to be sold for a housing development in 2012. The neighborhood requested the park be retained and improved. This effort by the neighborhood and the added visibility and awareness brought to the park with the construction of the Greenwood Street Underpass has created a desire to improve and enhance the park. Fencing along Greenwood Street and a backstop installation along Annie Street in 2017 were the first improvements. Youth baseball used the park in the summer of 2018 for regular programming with great success; and

WHEREAS, this Park desperately needs playground equipment to be utilized to its full potential. Fundraising efforts led by Councilman and neighbor Jason Aarestad, through concerts in the park, have raised significant funds for the project and proven the community's support for the improvements. Proposals were received and presented to the Public Works Committee by two vendors, with St. Croix Recreation Company Inc. being the recommended supplier. The equipment would be purchased this fall with installation and grand opening in the spring of 2019.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Public Works Committee recommendation to approve the purchase and supervised installation of playground equipment for Annie Park from St. Croix Recreation Company, Inc. in the amount of \$76,002.71.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-228-18: RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF ASSESSMENT ROLL FOR THE 2018 STREET AND UTILITIES IMPROVEMENTS PROJECT

The City Council reviewed a Request for Council Action. Councilmember Sollom introduced Resolution No. 9-228-18, being seconded by Councilmember Brown, that:

WHEREAS, this project was bid as a result of meetings with department heads, Council committees, developers, and according to items in the City's Capital Improvement Plan. It was awarded to Zavoral Construction in the amount of \$3,100,195.98 with Change Order No. 1 of \$11,958.85 for a current contract amount of \$3,112,154.83. This project includes the following items of work:

1. Technology Street – Street & Utilities Improvements
2. Digi-Key Drive – Street Improvements
3. First Street West – Street & Utilities Improvements
4. Nelson Drive – Utilities and Storm Sewer Improvements
5. MMCDC – Alley Construction
6. Spruce Avenue Crosswalks
7. Greenwood Street from Kendall Ave. to Spruce Ave. – Full Mill & Resurfacing
8. Public Works Facility Paving
9. Water Distribution Facility Paving
10. Barnick Road – Street & Utilities Improvements
11. Miscellaneous

The Minnesota Department of Transportation Eighth Street Improvements assessments are included in the amount to be assessed and will be included in the assessment hearing.

THEREFORE, BE IT RESOLVED, by the City Council, that:

- 1) The total cost of the improvements, including the city share of the Eighth Street Improvements, is estimated to be \$4,715,000. This project will be funded through a DEED BDPI grant, Municipal State Aid, departmental invoicing, TIF reimbursement and bonding. The amount to be assessed is estimated to be \$668,970.38; and
- 2) Assessments shall be payable in equal annual installments extending over a period of 12 years, the first of the installments to be payable on or before the first Monday in January, 2019, and shall bear an interest rate of 4% per annum from the date of the adoption of the assessment roll; and
- 3) The City Administrator, with the assistance of the Community Services Director, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece, or parcel of land within the area affected, without regard to cash valuation as provided by law, and the City Administrator shall file a copy of such proposed assessment in the Office of the City Administrator for public inspection; and
- 4) The City Administrator shall, upon the completion of such proposed assessments, notify the City Council of its completion.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-229-18: RESOLUTION ESTABLISHING A PUBLIC HEARING WITH REGARD TO PROPOSED ASSESSMENTS ON THE 2018 STREET AND UTILITIES IMPROVEMENTS PROJECT

The City Council reviewed a Request for Council Action. Councilmember Brown introduced Resolution No. 9-229-18, being seconded by Councilmember Narverud, that:

WHEREAS, pursuant to Resolution No. 9-228-18, the City Administrator and Community Services Director were directed to prepare the proposed assessments of the 2018 Street and Utilities Improvements Project; and

WHEREAS, the City Administrator has notified the City Council that such proposed assessment has been completed and filed in the Office of the City Administrator for public inspection.

THEREFORE, BE IT RESOLVED, by the City Council of Thief River Falls, that:

- 1) A hearing shall be held on the 16th day of October, 2018 in the Council Chambers of City Hall at 7:00 p.m. to pass upon such proposed assessment and at such time and place all persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment; and
- 2) The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and the City Administrator shall state in the notice the total cost of the improvement, The City Administrator shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearing; and
- 3) The owner of any property so assessed may, at any time prior to certification of the assessment to the Pennington County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of the assessment. The property owner may at any time thereafter, pay to the City the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made before November 15th or interest will be charged through December 31st of the succeeding year.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-230-18: APPROVAL OF CONDITIONAL USE PERMIT FOR THE STATE OF MINNESOTA FOR ALLIED RADIO MATRIX FOR EMERGENCY RESPONSE (ARMER) TOWER

The City Council reviewed a Request for Council Action. Councilmember Aarestad introduced Resolution No. 9-230-18, being seconded by Councilmember Brown, that:

WHEREAS, The State of Minnesota currently operates a communications tower at 515 Zeh Street West adjacent to the former Department of Transportation facility. This communication tower was constructed in the 1950's and has far exceeded its useful life. It is outdated

and does not effectively support the new ARMER technology. After completion of a new tower this tower will be removed; and

WHEREAS, towers are only allowed in industrial zoning districts and only with a conditional use permit. Setback distances for towers are defined as an accessory use and require an engineered fall distance. The State of Minnesota is exempt from land use requirements on state owned property. This new tower will serve the Minnesota State Patrol, Pennington County Sheriff's office, City of Thief River Falls Police and Fire Departments, ambulance service and other fire departments and first responders in Pennington County. This technology allows communication between all emergency service providers throughout the entire State of Minnesota; and

WHEREAS, State Statute allows properties owned by the State of Minnesota be exempt from land use requirements. The Planning Commission required the conditional use permit to facilitate neighborhood notification, review location of tower on property, require engineer's certification and verify that the tower would not impact the State of Minnesota's ability to sell property along Highway 1 & 59 for commercial development.

THEREFORE, BE IT RESOLVED, to accept the Planning Commission recommendation to approve a Conditional Use Permit for the State of Minnesota to construct a 300' high Allied Radio Matrix for Emergency Response (ARMER) tower on Department of Transportation property located at 248 125th Avenue NE, Thief River Falls, Minnesota. It is legally described in the attached Notice of Hearing. This approval is contingent upon engineer's certification and FAA approval.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-231-18: APPROVAL OF JOHN LEOPOLD VARIANCE REQUEST

The City Council reviewed a Request for Council Action. Councilmember Narverud introduced Resolution No. 9-231-18, being seconded by Councilmember Howe, that:

WHEREAS, John Leopold, 1020 Elizabeth Avenue North, is proposing to install an amateur radio tower at his residence. These are allowed in a residential district with certain conditions. The proposed tower is 40' high and extends 22' above the garage peak; and

WHEREAS, the manufacturer he is using recommends anchoring the tower at the highest point on the house. In John's case it would be the gable end of the house or the gable end of the garage. The gable end of the house is in the rear yard, but is at the location where most of his utilities are, creating a conflict at that location. The gable end of the attached garage works very well, except it is not in the rear yard. Anchoring the tower to the garage would require a variance to the rear yard requirement.

THEREFORE, BE IT RESOLVED, to accept the Planning Commission recommendation to approve a variance to 150.06 (C) (1) requiring an amateur radio tower to be in the rear yard.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 9-232-18: APPROVAL OF REPLACEMENT PROCESS FOR FILLING WARD 3 VACANCY

The City Council reviewed a Request for Council Action. Councilmember Brown introduced Resolution No. 9-232-18, being seconded by Councilmember Aarestad, that:

WHEREAS, on August 21, 2018, upon the receipt of the written resignation of Councilmember Josh Hagen, a vacancy was created for the Ward 3 position. On September 4, 2018, the City Council directed the Administrative Services Committee to meet and recommend a process to fill the vacancy. On September 11, 2018, the Administrative Services Committee met and discussed filling the vacancy through a process involving public notice and advertising, interviews, and selection by majority vote of the seven members of the City Council. A reasonable period of time for such a process is believed to be about 6 weeks; and

WHEREAS, as an alternative to this process, the Committee is recommending that the City Council pass a resolution selecting a replacement process for filling the vacancy which appoints the winner of the November 6 election. This process would include appointment effective upon the certification of the results of that election. Among other benefits of this selection process is avoiding the very real possibility that the City Council would appoint one of three persons who must, inevitably, lose the Ward 3 election on November 6, perhaps even making this unfortunate appointment at the November 6th council meeting on the very same day that the people of Ward 3 select a different person to be the Ward 3 Councilmember. The committee believes this selection method for appointment to the vacancy is reasonable because the period of time for appointment through this selection method is approximately the same as other reasonable methods for selection. The committee further believes this process to be reasonable because it elevates in importance the will of the people in the selection method.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to select a replacement process for filling the vacancy in the Ward 3 position which appoints the selection of the voters of Ward 3 as determined by the November 6 election.

On vote being taken, the resolution was unanimously passed.

UPCOMING MEETINGS/EVENTS

- City Council Meeting – October 2nd at 5:30 p.m.
- Committee of the Whole – October 2nd following City Council Meeting
- Utilities Committee Meeting – October 8th at 7:00 a.m.
- Public Safety/Liquor Committee - Committee of the Whole – October 8th at 4:30 p.m.
- Administrative Services Committee Meeting – October 9th at 4:30 p.m.
- Public Works Committee – Committee of the Whole – October 10th at 4:30 p.m.
- City Council Meeting – October 16th at 5:30 p.m.
- Joint City Council/School District Meeting – November 15th at 5:30 p.m. at District Service Center

INFORMATIONAL ITEMS

- Investment summary dated 8/31/18

ADJOURNMENT

There being no further discussion, Councilmember Brown moved, being seconded by Councilmember Sollom to adjourn. On vote being taken, the Chair declared the motion unanimously carried.

Brian D. Holmer, Mayor

Attest: _____
Rodney Otterness, City Administrator

NORTHLAND
SECURITIES

150 South Fifth Street, Suite 3300
Minneapolis, MN 55402

(800) 851-2920

(612) 851-5906

DATE: September 25, 2018

TO: Honorable Mayor Holmer and Members of the City Council
Mr. Rodney Otterness, Administrator
Ms. Angie Philipp, Finance Director
City of Thief River Falls

FROM: George Eilertson, Sr. Vice President
Northland Securities



RE: Bond Issue for 2018 Street & Utility Improvements and REA Equipment

We have been working with the City Administrator, Finance Director and Public Works Director on the preliminary financing structure and timeline for the 2018 street and utility improvements and the REA equipment improvements. My financing recommendations follow:

1. 2018 Street & Utility Improvements – the overall financing need is \$2,870,000. This is broken down as follows:
 - a. Utility Improvements – a total of \$1,055,000 consisting of water and sewer improvements. The General Obligation Bonds are structured with a 15-year term. The revenue to pay back the bonds consists of approximately \$346,000 in special assessments and revenues of the municipal sewer and water utilities.
 - b. Street Improvements – totaling \$1,815,000. The General Obligation Bonds are structured with a 12-year term. The revenue to pay back the bonds consists of approximately \$429,000 in special assessments and a debt service levy spread on all taxable property in the City.
2. REA Equipment – a preliminary total of \$1,170,000 of equipment purchases is included in the financing. The equipment represents the 2018 and 2019 items identified in the REA 5-year Capital Budget Plan (2018-2022). The General Obligation Equipment Certificates are structured with a 10-year term.
3. Next Steps – Note, both of the above-referenced financing needs can be issued together with a General Obligation Bond. The preliminary bond size is \$4,040,000. Following are the next steps in the financing process:
 - a. Resolution calling for sale – Tuesday, October 2, 2018
 - b. Financing Proposals Received – Tuesday, November 6, 2018 @ 10:00 AM
 - c. Council consideration of Proposals – Tuesday, November 6, 2018 @ 5:30 PM
 - d. Closing Date – approximately December 5, 2018

Thank you.

Finance Plan

City of Thief River Falls, Minnesota

\$4,040,000

General Obligation Bonds, Series 2018B

October 2, 2018



150 South 5th Street, Suite 3300

Minneapolis, MN 55402

612-851-5900 800-851-2920

www.northlandsecurities.com

Member FINRA and SIPC | Registered with SEC and MSRB

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Executive Summary

The following is a summary of the recommended terms for the issuance of \$4,040,000 General Obligation Bonds, Series 2018B (the "Bonds" or "2018B Bonds"). Additional information on the proposed finance plan and issuing process can be found after the Executive Summary, in the Issue Overview and Attachment 5 - Related Considerations.

| | |
|--------------------------------|---|
| Purpose | Proceeds from the Bonds will be used to fund the City's 2018 street and utility improvement projects and to purchase equipment. |
| Security | The Bonds will be a General Obligation of the City. The City will pledge for payment of the Bonds: <ul style="list-style-type: none">• Special assessments collected from benefitted properties.• Property tax levies.• Net revenues of the City's Sewer and Water utilities. |
| Repayment Term | The Bonds will mature annually each February 1 in the years 2020 - 2034. Interest on the Bonds will be payable on August 1, 2019 and semiannually thereafter on each August 1 and February 1. |
| Estimated Interest Rate | Average coupon: 2.89% True interest cost (TIC): 3.00% |
| Prepayment Option | Bonds maturing on and after February 1, 2027 will be subject to redemption on February 1, 2026 and any day thereafter at a price of par plus accrued interest. |
| Rating | A rating will be requested from Standard and Poor's (S&P). The City's general obligation debt is currently rated "AA-" by S&P. |
| Tax Status | The Bonds will be tax-exempt, bank qualified obligations. |
| Risk Factors | There are certain risks associated with all debt. Risk factors related to the Bonds are discussed in Attachment 7. |
| Type of Bond Sale | Public Sale - Competitive Bids |
| Proposals Received | Tuesday, November 6, 2018 @ 10:00 A.M. |
| Council Consideration | Tuesday, November 6, 2018 @ 5:30 P.M. |

Issue Overview

Purpose

Proceeds from the Bonds will be used to fund the City's 2018 street and utility improvement projects and to purchase equipment. The Bonds have been sized based on staff estimates on August 8, 2018. The table below contains the sources and uses of funds for the bond issue.

| | Utility Portion | Improvement Portion | Equipment Portion | Issue Summary |
|---------------------------------------|-----------------------|------------------------|-----------------------|-----------------------|
| Sources Of Funds | | | | |
| Par Amount of Bonds | \$1,055,000.00 | \$1,815,000.00 | \$1,170,000.00 | \$4,040,000.00 |
| Total Sources | \$1,055,000.00 | \$1,815,000.00 | \$1,170,000.00 | \$4,040,000.00 |
| Uses Of Funds | | | | |
| Deposit to Project Construction Fund | 1,034,400.00 | 1,778,055.00 | 1,148,098.00 | 3,960,553.00 |
| Costs of Issuance | 11,228.97 | 19,318.06 | 12,452.97 | 43,000.00 |
| Total Underwriter's Discount (0.800%) | 8,440.00 | 14,520.00 | 9,360.00 | 32,320.00 |
| Rounding Amount | 931.03 | 3,106.94 | 89.03 | 4,127.00 |
| Total Uses | \$1,055,000.00 | \$1,815,000.00 | \$1,170,000.00 | \$4,040,000.00 |

Authority

The Bonds will be issued pursuant to the authority of Minnesota Statutes, Chapters 475, 444 and 429, and Section 412.301.

Under Section 412.301, Capital Equipment includes, but is not limited to, road construction and maintenance equipment, public safety equipment and computer hardware and software, which must have a useful life at least as long as the term of the debt issued to finance the equipment. The term of the Bonds cannot exceed 10 years from the date of issuance.

If the amount of the Equipment Portion of the Bonds exceeds 0.25% of the estimated market value of the taxable property in the City, a reverse referendum provision applies. The City's estimated market value for taxes payable in 2018 is \$489,997,800 ($\$489,997,800 \times 0.0025 = \$1,224,994.50$). Since the Equipment Portion of the Bonds does not exceed \$1,224,994.50, the reverse referendum provision does not apply.

Structure

Each of the portions of the Bonds has been structured to result in relatively level annual debt service payments over the life of the Bonds. The utility portion has a 15-year term, the improvement portion has a 12-year term, and the equipment portion has a 10-year term.

The proposed structure for the bond issue and preliminary debt service projections are illustrated in Attachment 1.

Security and Source of Repayment

The Bonds will be general obligations of the City. The finance plan relies on the following assumptions for the revenues used to pay debt service, as provided by City staff:

- **Special Assessments.** The City is expected to levy special assessments against benefited properties in the amount of \$429,000 for the Improvement Portion and \$346,000 for the Utility Portion. The assessments will be payable over 12 years, with an interest rate of 1% over the All-Inclusive Cost on the Bonds (currently assumed to be 4.20% for the

Improvement Portion and 4.25% for the Utility Portion), and structured for level annual payments of principal and interest. The assessments will be levied in 2018 for initial payment in 2019.

- **Utility Revenues.** Net revenues of the City's water and sewer utilities will be pledged for payment of the Utility Portion of the Bonds. The City will covenant to institute water and sewer rates and charges that are sufficient to produce net revenues equal to at least 105% of the debt service requirements on that portion of the Bonds. In the event there is a deficiency in the amount of net revenues available for payment of debt service, the City may levy taxes to cover the insufficiency, but only on a temporary basis until rates are adjusted.
- **Property Taxes.** The remaining revenues needed to pay debt service on the Bonds are expected to come from property tax levies. The initial projections show an annual tax levy, averaging \$144,276 annually on the Improvement Portion and \$155,960 annually on the Equipment Portion, is needed, which includes the statutory requirement of 105% of debt service, after accounting for assessments and utility revenues. The levy will be adjusted annually based on actual special assessment collections, and additional monies in the debt service fund. The initial tax levy will be made in 2018 for taxes payable in 2019.

The table in Attachments 2, 3 and 4 show the estimated flow of funds, including the 5% overlevy.

Plan Rationale

The Finance Plan recommended in this report is based on a variety of factors and information provided by the City related to the financed projects and City objectives, Northland's knowledge of the City and our experience in working with similar cities and projects. The issuance of General Obligation Bonds provides the best means of achieving the City's objectives and cost effective financing. The City has successfully issued and managed this type of debt for previous projects.

Issuing Process

Northland will receive bids to purchase the Bonds on Tuesday, November 6, 2018 at 10:00 AM. Market conditions and the marketability of the Bonds support issuance through a competitive sale. This process has been chosen as it is intended to produce the lowest combination of interest expense and underwriting expense on the date and time set to receive bids. The calendar of events for the issuing process can be found in Attachment 6.

Municipal Advisor: Northland Securities, Inc., Minneapolis, Minnesota

Bond Counsel: Dorsey & Whitney, LLP, Minneapolis, Minnesota

Paying Agent: Northland Trust Services, Inc., Minneapolis, Minnesota

Attachment 1 - Preliminary Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|--------------|-----------------------|----------|---------------------|-----------------------|--------------|
| 12/05/2018 | - | - | - | - | - |
| 08/01/2019 | - | - | 71,140.89 | 71,140.89 | - |
| 02/01/2020 | 295,000.00 | 2.000% | 54,260.00 | 349,260.00 | 420,400.89 |
| 08/01/2020 | - | - | 51,310.00 | 51,310.00 | - |
| 02/01/2021 | 315,000.00 | 2.150% | 51,310.00 | 366,310.00 | 417,620.00 |
| 08/01/2021 | - | - | 47,923.75 | 47,923.75 | - |
| 02/01/2022 | 325,000.00 | 2.300% | 47,923.75 | 372,923.75 | 420,847.50 |
| 08/01/2022 | - | - | 44,186.25 | 44,186.25 | - |
| 02/01/2023 | 330,000.00 | 2.400% | 44,186.25 | 374,186.25 | 418,372.50 |
| 08/01/2023 | - | - | 40,226.25 | 40,226.25 | - |
| 02/01/2024 | 340,000.00 | 2.500% | 40,226.25 | 380,226.25 | 420,452.50 |
| 08/01/2024 | - | - | 35,976.25 | 35,976.25 | - |
| 02/01/2025 | 350,000.00 | 2.650% | 35,976.25 | 385,976.25 | 421,952.50 |
| 08/01/2025 | - | - | 31,338.75 | 31,338.75 | - |
| 02/01/2026 | 355,000.00 | 2.750% | 31,338.75 | 386,338.75 | 417,677.50 |
| 08/01/2026 | - | - | 26,457.50 | 26,457.50 | - |
| 02/01/2027 | 365,000.00 | 2.850% | 26,457.50 | 391,457.50 | 417,915.00 |
| 08/01/2027 | - | - | 21,256.25 | 21,256.25 | - |
| 02/01/2028 | 375,000.00 | 2.950% | 21,256.25 | 396,256.25 | 417,512.50 |
| 08/01/2028 | - | - | 15,725.00 | 15,725.00 | - |
| 02/01/2029 | 240,000.00 | 3.050% | 15,725.00 | 255,725.00 | 271,450.00 |
| 08/01/2029 | - | - | 12,065.00 | 12,065.00 | - |
| 02/01/2030 | 245,000.00 | 3.150% | 12,065.00 | 257,065.00 | 269,130.00 |
| 08/01/2030 | - | - | 8,206.25 | 8,206.25 | - |
| 02/01/2031 | 255,000.00 | 3.200% | 8,206.25 | 263,206.25 | 271,412.50 |
| 08/01/2031 | - | - | 4,126.25 | 4,126.25 | - |
| 02/01/2032 | 80,000.00 | 3.250% | 4,126.25 | 84,126.25 | 88,252.50 |
| 08/01/2032 | - | - | 2,826.25 | 2,826.25 | - |
| 02/01/2033 | 85,000.00 | 3.300% | 2,826.25 | 87,826.25 | 90,652.50 |
| 08/01/2033 | - | - | 1,423.75 | 1,423.75 | - |
| 02/01/2034 | 85,000.00 | 3.350% | 1,423.75 | 86,423.75 | 87,847.50 |
| Total | \$4,040,000.00 | - | \$811,495.89 | \$4,851,495.89 | - |

Date And Term Structure

| | |
|---------------------------|------------|
| Dated | 12/05/2018 |
| Delivery Date | 12/05/2018 |
| First available call date | 2/01/2026 |
| Call Price | 100.000% |

Yield Statistics

| | |
|-------------------|-------------|
| Bond Year Dollars | \$28,088.44 |
| Average Life | 6.953 Years |
| Average Coupon | 2.8890738% |

| | |
|--------------------------|------------|
| Net Interest Cost (NIC) | 3.0041389% |
| True Interest Cost (TIC) | 3.0046855% |
| All Inclusive Cost (AIC) | 3.1814890% |

Attachment 2 - 105% Levy (Improvement Portion)

| Date | Total P+I | 105% Levy | Less: | Equals: | Levy Year | Collection Year |
|--------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------|-----------------|
| | | | Special Assessment Revenue* | City Net Levy | | |
| 02/01/2020 | 181,587.56 | 190,666.94 | 46,481.07 | 144,185.87 | 2018 | 2019 |
| 02/01/2021 | 181,470.00 | 190,543.50 | 46,481.06 | 144,062.44 | 2019 | 2020 |
| 02/01/2022 | 183,567.50 | 192,745.88 | 46,481.08 | 146,264.80 | 2020 | 2021 |
| 02/01/2023 | 180,347.50 | 189,364.88 | 46,481.06 | 142,883.82 | 2021 | 2022 |
| 02/01/2024 | 181,987.50 | 191,086.88 | 46,481.07 | 144,605.81 | 2022 | 2023 |
| 02/01/2025 | 183,362.50 | 192,530.63 | 46,481.07 | 146,049.56 | 2023 | 2024 |
| 02/01/2026 | 184,387.50 | 193,606.88 | 46,481.06 | 147,125.82 | 2024 | 2025 |
| 02/01/2027 | 180,125.00 | 189,131.25 | 46,481.08 | 142,650.17 | 2025 | 2026 |
| 02/01/2028 | 180,707.50 | 189,742.88 | 46,481.07 | 143,261.81 | 2026 | 2027 |
| 02/01/2029 | 180,987.50 | 190,036.88 | 46,481.06 | 143,555.82 | 2027 | 2028 |
| 02/01/2030 | 180,955.00 | 190,002.75 | 46,481.07 | 143,521.68 | 2028 | 2029 |
| 02/01/2031 | 180,600.00 | 189,630.00 | 46,481.07 | 143,148.93 | 2029 | 2030 |
| Total | \$2,180,085.06 | \$2,289,089.31 | \$557,772.82 | \$1,731,316.49 | | |

*Assessments assume \$429,000 spread in even payments for a term of 12 years at a rate of 4.20%, which is 1.00% over the AIC.

Attachment 3 - 105% Levy (Equipment Portion)

| Date | Total P+I | 105% Levy | Levy Year | Collection Year |
|--------------|-----------------------|-----------------------|-----------|-----------------|
| 02/01/2020 | 149,161.11 | 156,619.17 | 2018 | 2019 |
| 02/01/2021 | 147,262.50 | 154,625.63 | 2019 | 2020 |
| 02/01/2022 | 149,682.50 | 157,166.63 | 2020 | 2021 |
| 02/01/2023 | 146,807.50 | 154,147.88 | 2021 | 2022 |
| 02/01/2024 | 148,807.50 | 156,247.88 | 2022 | 2023 |
| 02/01/2025 | 150,557.50 | 158,085.38 | 2023 | 2024 |
| 02/01/2026 | 146,980.00 | 154,329.00 | 2024 | 2025 |
| 02/01/2027 | 148,267.50 | 155,680.88 | 2025 | 2026 |
| 02/01/2028 | 149,277.50 | 156,741.38 | 2026 | 2027 |
| Total | \$1,336,803.61 | \$1,403,643.79 | | |

Attachment 4 - Revenue vs. Debt Service (Utility Portion)

| Date | Total P+I | 105% of P&I | Less: | Equals: | Levy Year | Collection Year |
|--------------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------|-----------------|
| | | | Special Assessment Revenue* | City Utility Revenues | | |
| 02/01/2020 | 89,652.22 | 94,134.83 | 37,598.65 | 56,536.18 | 2018 | 2019 |
| 02/01/2021 | 88,887.50 | 93,331.88 | 37,598.66 | 55,733.22 | 2019 | 2020 |
| 02/01/2022 | 87,597.50 | 91,977.38 | 37,598.65 | 54,378.73 | 2020 | 2021 |
| 02/01/2023 | 91,217.50 | 95,778.38 | 37,598.66 | 58,179.72 | 2021 | 2022 |
| 02/01/2024 | 89,657.50 | 94,140.38 | 37,598.65 | 56,541.73 | 2022 | 2023 |
| 02/01/2025 | 88,032.50 | 92,434.13 | 37,598.66 | 54,835.47 | 2023 | 2024 |
| 02/01/2026 | 86,310.00 | 90,625.50 | 37,598.64 | 53,026.86 | 2024 | 2025 |
| 02/01/2027 | 89,522.50 | 93,998.63 | 37,598.66 | 56,399.97 | 2025 | 2026 |
| 02/01/2028 | 87,527.50 | 91,903.88 | 37,598.66 | 54,305.22 | 2026 | 2027 |
| 02/01/2029 | 90,462.50 | 94,985.63 | 37,598.65 | 57,386.98 | 2027 | 2028 |
| 02/01/2030 | 88,175.00 | 92,583.75 | 37,598.64 | 54,985.11 | 2028 | 2029 |
| 02/01/2031 | 90,812.50 | 95,353.13 | 37,598.65 | 57,754.48 | 2029 | 2030 |
| 02/01/2032 | 88,252.50 | 92,665.13 | - | 92,665.13 | 2030 | 2031 |
| 02/01/2033 | 90,652.50 | 95,185.13 | - | 95,185.13 | 2031 | 2032 |
| 02/01/2034 | 87,847.50 | 92,239.88 | - | 92,239.88 | 2032 | 2033 |
| Total | \$1,334,607.22 | \$1,401,337.58 | \$451,183.83 | \$950,153.75 | | |

*Assessments assume \$346,000 spread in even payments for a term of 12 years at a rate of 4.25%, which is 1.00% over the AIC.

Attachment 5 - Related Considerations

Bank Qualification

We understand the City (in combination with any subordinate taxing jurisdictions or debt issued in the City's name by 501(c)3 corporations) anticipates issuing \$10,000,000 or less in tax-exempt debt during this calendar year. Therefore the Bonds will be designated as "bank qualified" obligations pursuant to Federal Tax Law.

Arbitrage Compliance

The Equipment Portion of the Bonds are expected to qualify for the "18 month spending exception" while the remaining portions of the Bonds are expected to qualify for the "24 month spending exception" related to arbitrage rebate.

Other aspects of arbitrage regulations will apply to the investment of bond proceeds and the debt service fund.

Project/Construction Fund. All tax-exempt bond issues are subject to federal rebate requirements which require all arbitrage earned to be rebated to the U.S. Treasury. The rebate exemptions the City expects to qualify for is the "18 month spending exception" for the Equipment Portion of the Bonds and the "24 month spending exception" for the remaining portions of the Bonds.

Debt Service Fund. The City must maintain a bona fide debt service fund for the Bonds or be subject to yield restriction in the debt service fund. A bona fide debt service fund involves an equal matching of revenues to debt service expense with a balance forward permitted equal to the greater of the investment earnings in the fund during that year or 1/12 of the debt service of that year.

The City should become familiar with the various Arbitrage Compliance requirements for this bond issue. The Resolution for the Bonds prepared by Bond Counsel explains the requirements in greater detail.

Continuing Disclosure

Type: Full

Dissemination Agent: Northland Securities

The requirements for continuing disclosure are governed by SEC Rule 15c2-12. The primary requirements of Rule 15c2-12 actually fall on underwriters. The Rule sets forth due diligence needed prior to the underwriter's purchase of municipal securities. Part of this requirement is obtaining commitment from the issuer to provide continuing disclosure. The document describing the continuing disclosure commitments (the "Undertaking") is contained in the Official Statement that will be prepared to offer the Bonds to investors.

The City has more than \$10,000,000 of outstanding debt and is required to undertake "full" continuing disclosure. Full disclosure requires annual posting of the audit and a separate continuing disclosure report, as well as the reporting of certain "material events." Material events set forth in the Rule, including, but not limited to, bond rating changes and call notices, must be reported within ten days of occurrence. The report contains annual financial information and operating data that "mirrors" material information presented in the Official Statement. The specific contents of the annual report will be described in the Undertaking that appears in the appendix of the Official Statement. Northland currently serves as dissemination

agent for the City, assisting with the annual reporting. The information for the Bonds will be incorporated into our reporting.

Premiums

In the current market environment, it is likely that bids received from underwriters will include premiums. A premium bid occurs when the purchaser pays the City an amount in excess of the par amount of a maturity in exchange for a higher coupon (interest rate). The use of premiums reflects the bidder's view on future market conditions, tax considerations for investors and other factors. Ultimately, the true interest cost ("TIC") calculation will determine the lowest bid, regardless of premium.

A premium bid produces additional funds that can be used in several ways:

- The premium means that the City needs less bond proceeds and can reduce the size of the issue by the amount of the premium.
- The premium can be deposited in the Construction Fund and used to pay additional project costs, rather than used to reduce the size of the issue.
- The premium can be deposited in the Debt Service Fund and used to pay principal and interest.

Northland will work with City staff on the sale day to determine use of premium (if any).

Rating

A rating will be requested from Standard and Poor's (S&P). The City's general obligation debt is currently rated "AA-" by S&P. The rating process will include a conference call with the rating analyst. Northland will assist City staff in preparing for and conducting the rating call.

Attachment 6 - Calendar of Events

| September 2018 | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | | 1 |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | | | | | | |

| October 2018 | | | | | | |
|--------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |
| | | | | | | |

| November 2018 | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | |
| | | | | | | |

| December 2018 | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | | 1 |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | | | | | |

| Date | Action | Responsible Party |
|----------------------------------|---|---|
| September 25 th | Set Sale Resolution Sent to City for Council Packets Finance Plan Sent to the City | Northland, Bond Counsel |
| October 2 nd | Presentation of Finance Plan Set Sale Resolution Adopted | City Council Action, Northland, Bond Counsel |
| October 3 rd | Preliminary Official Statement Sent to City for Sign Off and to Rating Agency | Northland, City |
| Week of October 15 th | Rating Conference Call | Northland, City, Rating Agency |
| October 29 th | Rating Received | Rating Agency, City, Northland |
| November 6 th | Bond Sale - 10:00 AM Awarding Resolution Adopted - 5:30 PM | City Council Action, Northland, Bond Counsel |
| December 5 th | Closing on the Bonds (Proceeds available) | Northland, City Staff, Bond Counsel |

Attachment 7 - Risk Factors

Property Taxes: Property tax levies shown in this Finance Plan are based on projected debt service and other revenues. Final levies will be set based on the results of sale. Levies should be reviewed annually and adjusted as needed. The debt service levy must be included in the preliminary levy for annual Truth in Taxation hearings. Future Legislative changes in the property tax system, including the imposition of levy limits and changes in calculation of property values, would affect plans for payment of debt service. Delinquent payment of property taxes would reduce revenues available to pay debt service.

Special Assessments: Special assessments for the financed project have not been levied at this time. This Finance Plan is based on the assumptions listed earlier in this report. Changes in the terms and timing for the actual assessments will alter the projected flow of funds for payment of debt service on the Bonds. Also, special assessments may be prepaid. It is likely that the income earned on the investment of prepaid assessments will be less than the interest paid if the assessments remained outstanding. Delinquencies in assessment collections would reduce revenues needed to pay debt service. The collection of deferred assessments (if any) have not been included in the revenue projections. Projected assessment income should be reviewed annually and adjusted as needed.

Utility Revenues: The City pledges the net revenues of the water and sewer utilities to the payment of principal and interest on the Bonds. The failure to adjust rates and charges as needed and the loss of significant customers will affect available net revenues. If the net revenues are insufficient, the City is required to levy property taxes or use other revenues to cover the deficiency. Property taxes can only be used on a temporary basis and may not be an ongoing source of revenue to pay debt service.

General: In addition to the risks described above, there are certain general risks associated with the issuance of bonds. These risks include, but are not limited to:

- Failure to comply with covenants in bond resolution.
- Failure to comply with Undertaking for continuing disclosure.
- Failure to comply with IRS regulations, including regulations related to use of the proceeds and arbitrage/rebate. The IRS regulations govern the ability of the City to issue its bonds as tax-exempt securities and failure to comply with the IRS regulations may lead to loss of tax-exemption.

**MUNICIPAL ADVISORY SERVICE AGREEMENT
BY AND BETWEEN
THE CITY OF THIEF RIVER FALLS, MINNESOTA
AND
NORTHLAND SECURITIES, INC.**

This Agreement made and entered into by and between the City of Thief River Falls, Minnesota (hereinafter "City") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter "NSI").

WITNESSETH

WHEREAS, the City desires to have NSI provide it with advice on the structure, terms, timing and other matters related to the issuance of the General Obligation Bonds, Series 2018B (the "Debt") serving in the role of municipal (financial) advisor, and

WHEREAS, NSI is a registered municipal advisor with both the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") (registration # 866-00082-00), and

WHEREAS, NSI will act as municipal advisor in accordance with the duties and responsibilities of Rule G-42 of the MSRB, and

WHEREAS, the MSRB provides a municipal advisory client brochure on its website (www.msrb.org) that describes the protections that may be provided by the MSRB rules, including professional competency, fair dealing, duty of loyalty, remedies for disputes and how to file a complaint with an appropriate regulatory authority, and

WHEREAS, the City and NSI are entering into this Agreement to define the municipal advisory relationship at the earliest opportunity related to the inception of the municipal advisory relationship for the Debt, and

WHEREAS, NSI desires to furnish services to the City as hereinafter described,

NOW, THEREFORE, it is agreed by and between the parties as follows:

SERVICES TO BE PROVIDED BY NSI

NSI shall provide the City with services necessary to analyze, structure, offer for sale and close the Debt. The services will be tailored to meet the needs of this engagement and may include:

Planning and Development

1. Assist City officials to define the scope and the objectives for the Debt.
2. Investigate and consider reasonably feasible financing alternatives.
3. Assist the City in understanding the material risks, potential benefits, structure and other characteristics of the recommended plan for the Debt, including issue structure, estimated debt

service payments, projected revenues, method of issuance, bond rating, sale timing, and call provisions.

4. Prepare a schedule of events related to the issuance process.
5. Coordinate with bond counsel any actions needed to authorize the issuance of the Debt.
6. Attend meetings of the City Council and other project and bond issue related meetings as needed and as requested.

Bond Sale

1. Assist the City with the preparation, review and approval of the preliminary official statement (POS).
2. Assist the City and bond counsel with preparing and publishing the Official Notice of Sale if required by law.
3. Prepare and submit application for bond rating(s) and assist the City with furnishing the rating agency(s) with any additional information required to conduct the rating review. Assist the City with preparing and conducting the rating call or other presentation.
4. Assist the City in receiving the bids, compute the accuracy of the bids received, and recommend to the City the most favorable bid for award.
5. Coordinate with bond counsel the preparation of required contracts and resolutions.

Post Sale Support

1. Assist the City with the preparation of final official statement, distribution to the underwriter and posting on EMMA.
2. Coordinate the bond issue closing, including making all arrangements for bond printing, registration, and delivery.
3. Furnish to the City a complete transcript of the transaction, if not provided by bond counsel.

There are no specific limitations on the scope of this agreement.

COMPENSATION

For providing these services with respect to the Debt, NSI shall be paid a lump sum of \$22,900. The fee due to NSI shall be payable by the City upon the closing of the Bonds.

NSI agrees to pay the following expenses from its fee:

- Out-of-pocket expenses such as travel, long distance phone, and copy costs.
- Production and distribution of material to rating agencies and/or bond insurance companies.
- Preparation of the bond transcript.

The City agrees to pay for all other expenses related to the processing of the bond issue(s) including, but not limited to, the following:

- Engineering and/or architectural fees.
- Publication of legal notices.
- Bond counsel and local attorney fees.
- Fees for various debt certificates.
- The cost of printing Official Statements, if any.
- City staff expenses.
- Airfare and lodging expenses of one NSI official and City officials when and if traveling for rating agency presentations.
- Rating agency fees, if any.

- Bond insurance fees, if any.
- Accounting and other related fees.

It is expressly understood that there is no obligation on the part of the City under the terms of this Agreement to issue the Debt. If the Debt is not issued, NSI agrees to pay its own expenses and receive no fee for any municipal advisory services it has rendered pursuant to this Agreement.

CONFLICTS OF INTEREST

NSI is not aware of any material conflicts of interest that could reasonably be anticipated to impair NSI's ability to provide advice to or on behalf of the City in accordance with the standards of conduct for municipal advisors.

The compensation for services provided in this Agreement is customary in the municipal securities market, but may pose a conflict of interest. Since the fee is payable at closing and only if the Debt is issued, NSI may have an incentive to encourage issuance. Compensation linked to the size of the transaction may provide incentive to increase the amount of the Debt. Compensation considerations will not impair NSI's ability to provide unbiased and competent advice or to fulfill its fiduciary duty to the City. In executing this Agreement, the City acknowledges and accepts the potential conflicts of interest posed by the compensation to NSI.

Northland Capital Holdings is the parent company of NSI. Another subsidiary of Northland Capital Holdings is Northland Trust, Inc. Northland Trust provides paying agent services to issuers of municipal bonds. The City is solely responsible for the decision on the source of paying agent services. Any engagement of Northland Trust is outside the scope of this Agreement. No compensation paid to Northland Trust is shared with NSI.

NSI does not provide executive search, organizational development, compensation systems or other management consulting services that may directly or indirectly affect City staff that recommend the engagement of municipal advisor services and may pose a conflict of interest.

LEGAL AND DISCIPLINARY ACTIONS

There are no legal or disciplinary events reported by the Securities and Exchange Commission contained in Form MA or Form MA-I. The City can find information about these forms and accessing information related to NSI at www.sec.gov/municipal/oms-edgar-links.

SUCCESSORS OR ASSIGNS

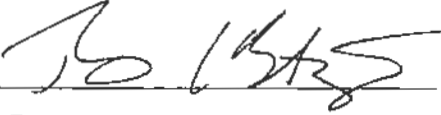
The terms and provisions of this Agreement are binding upon and inure to the benefit of the City and NSI and their successors or assigns.

TERM OF THIS AGREEMENT

This Agreement may be terminated by thirty (30) days written notice by either the City or NSI and it shall terminate sixty (60) days following the closing date related to the issuance of the Debt.

Dated this 16th day of August, 2018.

Northland Securities, Inc.

By: 

Tom Bartzen - Executive Vice President

City of Thief River Falls, Minnesota

By: _____

Its: _____

CERTIFICATION OF MINUTES RELATING TO
GENERAL OBLIGATION BONDS, SERIES 2018B

Issuer: City of Thief River Falls, Minnesota

Governing Body: City Council

Kind, date, time and place of meeting: A regular meeting held on October 2, 2018 at 5:30 p.m. in the City Offices in Thief River Falls, Minnesota.

Members present:

Members absent:

Documents Attached:

Minutes of said meeting (pages):

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
GENERAL OBLIGATION BONDS, SERIES 2018B

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on October 2, 2018.

City Administrator

Councilmember _____ introduced the following resolution and moved its adoption, which motion was seconded by Councilmember _____:

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
GENERAL OBLIGATION BONDS, SERIES 2018B

BE IT RESOLVED by the City Council of the City of Thief River Falls, Minnesota (the "City"), as follows:

Section 1. Authorization; Purpose. It is hereby determined to be in the best interests of the City to issue its General Obligation Bonds, Series 2018B, in the approximate principal amount of \$4,040,000 (the "Bonds"), as authorized pursuant to Minnesota Statutes, Chapters 475, 444, 429, and Section 412.301, for the purpose of financing various street and utility improvement projects within the City, purchasing capital equipment, and funding costs of issuance of the Bonds.

Section 2. Notice of Sale. Northland Securities, Inc., municipal advisor to the City, has presented to this Council a form of Notice of Sale for the Bonds which is attached hereto and hereby approved and which shall be placed on file by the City Administrator. Each and all of the provisions of the Notice of Sale are hereby adopted as the terms and conditions of the Bonds and of the sale thereof, subject to adjustment for issue price compliance terms that may be required prior to the date of sale. Northland Securities, Inc., as independent municipal advisor, pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (9), is hereby authorized to solicit bids for the Bonds on behalf of the City on a competitive basis without requirement of published notice..

Section 3. Adjustment of Principal Amount of Bonds. The principal amount of the Bond issue shall be adjusted in accordance with staff recommendations upon receipt of bids for the financed projects, provided that the principal amount shall not exceed \$4,040,000.

Section 4. Award and Sale. The City Council shall meet at the times and place shown in the attached Notice of Sale for the purpose of considering sealed bids for the purchase of the Bonds and of taking such action thereon as may be in the best interest of the City.

Upon vote being taken thereon, the following members voted in favor thereof:

and the following members voted against the same:

whereupon the resolution was declared duly passed and adopted.

NOTICE OF SALE

\$4,040,000*

GENERAL OBLIGATION BONDS, SERIES 2018B

CITY OF THIEF RIVER FALLS, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals (also referred to herein as "bids") will be opened by the City's Administrator, or designee, on Tuesday, November 6, 2018, at 10:00 A.M., CT, at the offices of Northland Securities, Inc. (the City's "Municipal Advisor"), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the City Council at its meeting at the City Offices beginning Tuesday, November 6, 2018 at 5:30 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-5915, or
- d) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:00 A.M., CT, on Tuesday, November 6, 2018. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:00 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the City nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds.

* The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the City through Northland Trust Services, Inc. Minneapolis, Minnesota (the "Paying Agent/Registrar"), to DTC, or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The City will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

Date of Delivery (Estimated to be December 5, 2018)

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429, 444, 475 and Section 412.301. Proceeds will be used to finance various street and utility improvement projects within the City and purchase equipment. The Bonds are payable from special assessments against benefited property, net revenues of the City's water and sewer utilities, and additionally secured by ad valorem taxes on all taxable property within the City. The full faith and credit of the City is pledged to their payment and the City has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each February 1 and August 1, commencing August 1, 2019, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding such interest payment date.

MATURITIES

Principal is due annually on February 1, inclusive, in each of the years and amounts as follows:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|
| 2020 | \$295,000 | 2024 | \$340,000 | 2028 | \$375,000 | 2032 | \$80,000 |
| 2021 | 315,000 | 2025 | 350,000 | 2029 | 240,000 | 2033 | 85,000 |
| 2022 | 325,000 | 2026 | 355,000 | 2030 | 245,000 | 2034 | 85,000 |
| 2023 | 330,000 | 2027 | 365,000 | 2031 | 255,000 | | |

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *Rates must be in level or ascending order.* All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

**ESTABLISHMENT OF ISSUE PRICE
(HOLD-THE-OFFERING-PRICE RULE MAY APPLY – BIDS NOT CANCELLABLE)**

In order to establish the issue price of the Bonds for federal income tax purposes, the Issuer requires bidders to agree to the following, and by submitting a bid, each bidder agrees to the following.

If a bid is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the "initial offering price") for each maturity as set forth in the bid and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a separate "maturity," and the public does not include underwriters of the Bonds (including members of a selling group or retail distribution group) or persons related to underwriters of the Bonds.

If, however, a bid is submitted for the bidder's own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the Issuer to that effect at the time it submits its bid and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the Issuer shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the "hold-the-offering price" rule applies, as described in the following paragraph.

If the Issuer advises the winning bidder that the requirements for a competitive sale have not been satisfied and that the hold-the-offering price rule applies, the winning bidder shall (1) upon the request of the Issuer confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the Issuer a certification substantially in the form attached hereto as Exhibit A, together with a copy of the pricing wire.

If the Issuer advises the winning bidder that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the winning bidder will be required to deliver to the Issuer at or prior to closing a certification, substantially in the form attached hereto as Exhibit B, as to the reasonably expected initial offering price as of the award date.

Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received on behalf of the Issuer by the Municipal Advisor.

Bidders should prepare their bids on the assumption that the Bonds will be subject to the "hold-the-offering-price" rule. Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, and bids submitted will not be subject to cancellation or withdrawal.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The City reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the City and shall be at the sole discretion of the City. The successful bidder may not withdraw or modify its Proposal once submitted to the City for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on February 1, 2027 through 2034 are subject to redemption and prepayment at the option of the City on February 1, 2026 and 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 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.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within forty days after award, subject to an approving legal opinion by Dorsey & Whitney LLP, Bond Counsel. The legal opinion will be paid by the City and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$4,007,680 (99.2%) and accrued interest on the principal sum of \$4,040,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Rodney Otterness, City Administrator
Thief River Falls City Hall
405 Third Street East
Thief River Falls, Minnesota 56701

A good faith deposit (the "Deposit") in the amount of \$80,800 in the form of a federal wire transfer (payable to the order of the City) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the City may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The City will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the City. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The City's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt

of Proposals and award of the Bonds, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the City determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The City will covenant in the resolution awarding the sale of the Bonds to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as required by SEC Rule 15c2-12.

BANK QUALIFICATION

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The City reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: October 2, 2018

BY ORDER OF THE THIEF RIVER FALLS CITY COUNCIL

/s/ Rodney Otterness
City Administrator

Additional information may be obtained from:
Northland Securities, Inc.
150 South 5th Street, Suite 3300
Minneapolis, Minnesota 55402
Telephone No.: 612-851-5900

EXHIBIT A

**ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH FEWER THAN THREE BIDS
FROM ESTABLISHED UNDERWRITERS**

**\$(PRINCIPAL AMOUNT)
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ([SHORT NAME OF UNDERWRITER]) [the “Representative”], on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. **Initial Offering Price of the Bonds.** [SHORT NAME OF UNDERWRITER] [The Underwriting Group] offered the Bonds to the Public for purchase at the specified initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire for the Bonds is attached to this certificate as Schedule B. [Attached as Schedule C is a list of each Maturity that was sold on the Sale Date or during the Holding Period for such Maturity showing for each sale the principal amount, time and price of such sale, and a statement whether the sale was to the Public.]

2. **Hold the Offering Price Rule.** [SHORT NAME OF UNDERWRITER] [Each member of the Underwriting Group] has agreed in writing that, (i) for each Maturity, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any agreement among underwriters, selling group agreement, or third-party distribution agreement contains the agreement of each underwriter, dealer, or broker-dealer who is a party to such agreement to comply with the Hold-the-Offering-Price Rule. Based on the [Representative] [SHORT NAME OF UNDERWRITER]’s own knowledge and, in the case of sales by other Members of the Distribution Group, representations obtained from the other Members of the Distribution Group, no Member of the Distribution Group has offered or sold any such Maturity at a price that is higher than the respective Initial Offering Price during the respective Holding Period.

3. **Defined Terms.** For purposes of this Issue Price Certificate:

(a) **Holding Period** means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which Members of the Distribution Group have sold at least 10% of such Maturity to the Public at one or more prices, none of which is higher than the Initial Offering Price for such Maturity.

(b) **Issuer** means [DESCRIBE ISSUER].

(c) **Maturity** means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) **Member of the Distribution Group** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) **Public** means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital

interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDEWRITING FIRM][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and BORROWER (the "Borrower")] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____
Name: _____

Dated: [ISSUE DATE]

EXHIBIT B

**ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH AT LEAST THREE BIDS FROM
ESTABLISHED UNDERWRITERS**

**[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.*** For purposes of this Issue Price Certificate:

(a) *Issuer* means [DESCRIBE ISSUER].

(b) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Member of the Distribution Group* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(d) *Public* means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and BORROWER (the “Borrower”)] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal

Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER]

By: _____
Name: _____

Dated: [ISSUE DATE]

Advance Thief River

Nate Dorr
Senior Program Officer – Community Impact
Northwest Minnesota Foundation
Bemidji, MN 56601

September 30, 2018

Dear Mr. Dorr;

Thank you for the opportunity to submit this letter of intent, requesting consideration for Northwest Minnesota Foundation's "Communities Thrive" program.

Advance Thief River is a regional economic development initiative, seeking to grow the economy of the Thief River Falls area, loosely aligning with the boundaries of Pennington County. Major partners in the effort include Jobs, Incorporated, the City of Thief River Falls, Pennington County, Visit TRF, and the Thief River Falls Chamber of Commerce.

Our steering committee feels that the "Brain Gain" trend described in NMF's RFP has great promise for the Thief River area. More than that, if our area is going to thrive, we must attract new residents. We have already identified this as one of our top priorities for 2019 and have initiated a planning effort, called "Making It Home," a University of Minnesota Extension program, with that very goal in mind.

At a September 19, 2018 meeting of our steering committee, we agreed on the following strengths, weaknesses, opportunities, and threats, in relation to the *Brain Gain*:

| | |
|---|---|
| <p>Strengths</p> <ul style="list-style-type: none"> • A high-quality education system which provides excellent options for PreK through post-secondary education • A safe community where the crime rate is 63% lower than the state rate • A visionary downtown development plan, based on broad perspectives, and adopted by the community | <p>Weaknesses</p> <ul style="list-style-type: none"> • A rundown downtown • Gaps in services, amenities, night-life, and entertainment • Insufficient housing stock |
| <p>Opportunities</p> <ul style="list-style-type: none"> • Synergy with other efforts currently underway, including "Making It Home" and Blandin Leadership cohort • Leverage opportunities relating to Digi-Key Electronics, the *13th largest and 6th fastest growing private company in Minnesota • Digital communication potential, previously unavailable <p><small>*According to the Minneapolis St. Paul Business Journal</small></p> | <p>Threats</p> <ul style="list-style-type: none"> • Small businesses may fail if they can't find employees to fill positions • Misperceptions—"there's nothing to do in TRF" and "too few places to shop" • Vacant buildings in the downtown leading to blight and potential safety hazards |

Advance Thief River

Our greatest need is to attract new residents to the area to fill a vast number of open jobs. In consideration of our strengths, weaknesses, opportunities, and threats, as well as the importance of *quality of place*, we feel that enhancing our downtown area is the best place to invest resources now. A visionary downtown development plan adopted by the community last fall outlines a vibrant downtown with shopping, dining, entertainment, and housing opportunities. A facelift for our downtown would create energy, bring momentum to the community, and change perceptions, helping us to attract new residents.

An investment into our community by Northwest Minnesota Foundation would help us capitalize on the existing downtown development plan and realize our vision for the downtown, which at present, seems to be stalled. Grant dollars could be made available to businesses for downtown storefront improvements, provided as a match to the City's existing loan funds. We believe that the program could fund numerous storefront improvements for existing businesses, startup businesses, and could be a catalyst for redevelopment of vacant properties. A partnership with NMF would help the community establish realistic goals, as well as strategies to achieve those goals, including best use of human resources, grant dollars, loan dollars, local business investment, and private charitable contributions.

The timing for the project could not be better. Major street improvements in the downtown are planned for the summer of 2019, making it an auspicious time for additional improvements to the downtown area.

Once again, we thank you for the opportunity to submit this letter of intent and look forward to communicating with you further about our ideas.

Future correspondence should be directed to Michelle Landsverk, 218-280-1755, or mlandsverk@icloud.com.

Sincerely,

Rick Trontvet
VP, Digi-Key
President, Jobs, Inc.

Brian Holmer
Mayor
City of Thief River Falls

Neil Peterson
Chairman
Pennington County Commissioners

Ashley Nerhus
Executive Director
TRF Chamber of Commerce


Laura Stengrim
Executive Director
Visit TRF


Kristine Anderson
Executive Director
Northwest Private Industry Council


Michelle Landsverk
Project Manager
Advance Thief River

www.advancethiefriver.com
218.280.1755
mlandsverk@icloud.com



 [facebook.com/HolidayTrain](https://www.facebook.com/HolidayTrain)

 [CPHolidayTrain](https://twitter.com/CPHolidayTrain)

 [CPHOLIDAYTRAIN](https://www.instagram.com/CPHOLIDAYTRAIN)

www.cpr.ca/holiday-tr

September 24, 2018

Mayor Brian Holmer
City Hall 405 Third Street East PO Box 528
Thief River Falls, MN 56701

via email: mayorholmer@citytrf.net

Dear Mayor Brian Holmer,

I am delighted to announce that the 2017 CP Holiday Train will be making a stop in Thief River Falls on 12/13/2018. Thanks to the generous support of great communities like yours, the Holiday Train has raised over \$13 million and 4 million pounds of food since 1999 to help those in need.

FOOD BANK/SHELF DONATION

CP will encourage donations be made to the local food bank of your choice.

CP HAS HEART

CP Has Heart is our community investment program aimed at improving the heart health of men, women and children in communities across North America. Heart disease can affect anyone regardless of age or gender.

Prevention is key to eliminating the effects of heart disease and one of the ways in which we hope to help is by spreading the message of quality nutrition. We encourage those attending the events to make a monetary donation or donate heart healthy food items, because regardless of circumstance, we believe that everyone should have access to healthy, nutritious food.

HOSTING A SAFE & FUN EVENT

Safety is always our top priority, and our goal is to continue to make the Holiday Train event safe and fun for everyone. To this end, we ask your office to manage any road or crossing blockages related to this event, including marking a safe perimeter around the staged train for the duration of the show. We have found that something as simple as "Do Not Cross" tape works well for this purpose, although our preference, if possible, would be to erect barricades that clearly mark out the area. This offers a safe zone for lowering the stage door as well as getting people on and off the train. Additionally, police or security presence at nearby crossings can help to ensure safe passage for the train into and out of the event.

Members of the CP Police Service will be on hand to help manage crowds, but we do appreciate your continued support – including the involvement of your local police officials – in keeping the Holiday Train event in your community a safe one.

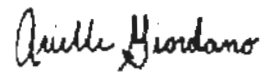
EVENT INFORMATION

We will be in touch with you within the next few weeks to discuss additional event information such as the exact stop location, promoting the event, riding the train and confirmation you will be able to join us on stage at this year's event to help present a donation to your chosen charitable organization.

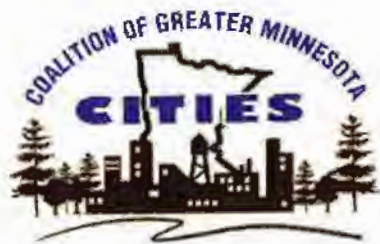
Your CP contacts for this year's Holiday Train are Christine Brown and Brenda Land. They will be contacting you soon with further information, and can be reached at Holiday_Train@cpr.ca.

I look forward to your community's participation in this year's Holiday Train.

Sincerely,

A handwritten signature in black ink that reads "Arielle Giordano". The signature is written in a cursive style with a large initial 'A'.

Arielle Giordano
Director
Federal & State Government Affairs



Coalition of Greater Minnesota Cities

ANNUAL FALL CONFERENCE

2018

DATE

Thursday, Nov. 15 - Friday, Nov. 16

Location

*Arrowwood Resort & Conference Center
2100 Arrowwood Lane, Alexandria, MN*

Registration

*Register online at [greaterminncities.org/
FallConf18](http://greaterminncities.org/FallConf18). Cost is \$170. Attendees can pay
online now or receive an invoice later.*

Accommodations

*The CGMC has reserved a block of rooms
at Arrowwood for the night of Nov. 15 for a
discounted rate of \$94. Call (320) 762-1124 to
make a reservation. Block closes Oct. 25.*

*NOTE: There are plenty of rooms available for
CGMC members at Arrowwood on Nov. 15,
but only limited number available on Nov. 14.
We have reserved a small block of rooms at
Hampton Inn & Suites for those who wish to
stay Wednesday night but are unable to get a
room at Arrowwood. Cost is \$94. Call Hampton
Inn at 320-763-3360 to make a reservation.
Block closes Oct. 29.*

- 10:00 a.m.** Board of Directors meeting
- 11:00 a.m.** Check-in and registration begins
- 12:00 p.m.** Welcome and Introductions - CGMC President Ron Johnson
- 12:05 p.m.** Luncheon Presentation: **Myron Frans, Commissioner of Minnesota Management & Budget**
Frans has been a leader in Governor Dayton's Administration since 2011, when he first served as Commissioner of Revenue before being named MMB Commissioner in 2015. He will share reflections on his eight years in the Dayton Administration, insights on how our state's fiscal situation is positioned for the future and give his take on what opportunities and challenges may be on the horizon.
- 1:15 p.m.** Panel Discussion: **"The Rural/Urban Divide: Should We Build Bridges or Catapults?"**
A panel of metro and Greater Minnesota city officials will discuss their efforts to address Minnesota's rural/urban divide — while still recognizing the unique challenges faced by different regions — and work together to advance issues that impact all cities across the state. Attendees will also participate in small and large-group discussions on this topic.
- 2:30 p.m.** BREAK
- 2:45 p.m.** Presentation: **"Election 2018: Winners, Losers and What It All Means for Greater Minnesota Cities" - CGMC Executive Director Bradley Peterson**
Peterson will share his take on the 2018 election, particularly the election of Minnesota's next governor and the fight for control of the Minnesota House, and how the election results could impact your community and the CGMC's legislative strategy heading into the 2019 session.
- 3:30 p.m.** Panel Discussion: **"What is the Legislature's Role in Solving Minnesota's Child Care Shortage?"**
A panel of state legislators will discuss whether the state government should play a role in developing solutions to Minnesota's child care shortage, and if so, what legislative ideas may be in store for 2019. Topics will include infrastructure needs, regulations, provider training and incentives, and more.
- 4:30 p.m.** Presentation: **"Annexation: The Gathering Storm" - Elizabeth Wefel, CGMC Lobbyist**
The Legislature has been fairly quiet on the annexation front on recent years, but it is shaping up to be a bigger issue this session. This presentation will provide background on annexation laws, explore why this topic is poised to get more attention at the Capitol, and share strategies for how cities and the CGMC can be proactive in preventing bad legislation from becoming law.
- 5:00 p.m.** BREAK and hotel check-in
- 5:30 p.m.** Cocktail Reception
- 6:30 p.m.** Dinner with Speaker: **Tom Hauser, Chief Political Reporter for ABC5 EYEWITNESS NEWS**
A veteran reporter who has won numerous awards during his career, including multiple Emmy Awards, Hauser has been covering Minnesota's political scene for ABC5 EYEWITNESS NEWS since 1997. He will share his perspectives on the 2018 election, the past and future of Minnesota politics, and the challenges and joys of covering all of the action at the State Legislature.

8:00 a.m.

Continental Breakfast

8:15 a.m.

Labor & Employee Relations Update - Brandon Fitzsimmons, Flaherty & Hood Labor Attorney

Fitzsimmons will provide a labor relations update focusing on recent settlement negotiations and discuss the CGMC's annual labor seminars.

9:15 a.m.

CGMC Membership Meeting

- *Update on CGMC Environmental Action Fund*
- *Discussion and Adoption of 2019 Policy Positions*
 - » *Environment & Energy*
 - » *Annexation & Land Use*
 - » *Economic Development*
 - » *Transportation*
 - » *Local Government Aid/Property Taxes*
- *Messaging & Strategy for 2019*
- *Upcoming Events*

11:00 a.m.

Adjourn

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18