



REGULAR CITY COUNCIL MEETING  
VIRTUAL MEETING HELD VIA WEBEX  
OCTOBER 27, 2020  
7:00 PM

**INTRODUCTORY PROCEEDINGS**

Call to order

Pledge of Allegiance

Open forum

***Each speaker is to keep their comment period to three minutes to allow sufficient time for others. Comments are to be an opportunity to address the Council on items not on the agenda. Individuals who wish to address the Council may call 612-861-0651 during the Open Forum portion or must have registered prior to the meeting by calling 612-861-9711 or emailing [kwynn@richfieldmn.gov](mailto:kwynn@richfieldmn.gov).***

Approval of the Minutes of the (1) City Council Meeting of October 13, 2020

**PRESENTATIONS**

1. Presentation of Chamberlain Award

**AGENDA APPROVAL**

2. Approval of the Agenda
3. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.**
  - A. Consider a resolution amending and restating the I-35W Solutions Alliance Joint Powers Agreement.  
Staff Report No. 133
  - B. Consider the approval of a resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and the Minnesota Department of Health (MDH).  
Staff Report No. 134
4. Consideration of items, if any, removed from Consent Calendar

**RESOLUTIONS**

5. Consider a resolution awarding the sale of \$3,255,000 General Obligation Refunding Bonds, Series 2020B.  
Staff Report No. 135

**OTHER BUSINESS**

6. Approval of the Second Amendment to the Cooperative Agreement between the City of Richfield and the Minnehaha Creek Watershed District with regards to the Legion/Taft Lake Improvement Project.

Staff Report No. 136

**CITY MANAGER'S REPORT**

7. City Manager's Report

**CLAIMS AND PAYROLLS**

8. Claims and Payroll

**COUNCIL DISCUSSION**

9. Hats Off to Hometown Hits

10. Adjournment

**Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.**



# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

## Regular Council Meeting Virtual Meeting held via WebEx

October 13, 2020

### CALL TO ORDER

The meeting was called to order by Mayor Maria Regan Gonzalez at 7:03 p.m. via WebEx.

*Council Members Present:* Maria Regan Gonzalez, Mayor; Ben Whalen; and Edwina Garcia

*Council Members Absent:* Mary Supple; and Simon Trautmann

*Staff Present:* Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; John Stark, Community Development Director; Melissa Poehlman, Assistant Community Development Director; Chris Regis, Finance Director; Amy Markle, Recreation Services Director; Rachel Lindholm, Sustainability Specialist; Kristin Asher, Public Works Director; Jay Henthorne, Public Safety Director; Skov, IT Manager; Blanca Martinez Gavina, Executive Analyst; and Kelly Wynn, Senior Office Assistant

### PLEDGE OF ALLEGIANCE

Mayor Regan Gonzalez led the Pledge of Allegiance

### OPEN FORUM

Ruane Onesirosan, 2421 West 65<sup>th</sup> Street, asked for clarification on (1) when the Council passes tax dollars to VEAP or RTPB if the city then relinquishes responsibility of accounting and having those dollars audited; (2) about getting feedback from her last open forum comments on September 22; and (3) why the September Planning Commission meeting was not on the replay schedule on Channel 16 for public viewing.

Senior Office Assistant Wynn reviewed the options to participate:

- Participate live by calling 612-861-0651 during the open forum portion
- Call prior to meeting 612-861-9711

- Email prior to meeting [kwynn@richfielmn.gov](mailto:kwynn@richfielmn.gov)

<b>APPROVAL OF MINUTES</b>
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M/Whalen, S/Garcia to approve the minutes of the (1) City Council Work Session of September 22, 2020; and (2) City Council Meeting of September 22, 2020.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

<b>Item #1</b>	<b>APPROVAL OF THE AGENDA</b>
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M/Garcia, S/Whalen to approve the agenda

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

<b>Item #2</b>	<b>CONSENT CALENDAR</b>
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City Manager Rodriguez presented the consent calendar with an edit on the amount stated for Resolution No. 11772. The agenda posted to the public on Friday, October 9, stated an incorrect amount and has been updated to the correct amount of \$96,852.49.

- A. Motion to pass a resolution regarding Hennepin County SCORE 2021 Contract Amendment.  
Staff Report No. 117

**RESOLUTION NO. 11771**

**RESOLUTION Approving the 2021 AMENDMENT TO THE SCORE AGREEMENT BETWEEN HENNEPIN COUNTY AND THE CITY OF RICHFIELD**

- B. Consider the approval of Minnesota Department of Transportation (MnDOT) lease agreement No. 27710 Amendment #6 for continued use of excess land along I-494 next to the Best Buy Campus for a Metro Transit Park and Ride parking lot and transit station. Staff Report No. 118
- C. Consider the adoption of a resolution authorizing acceptance of Office of Traffic Safety (OTS) funds for an extension on an original four-year grant to fully fund an officer dedicated for DWI enforcement in Richfield. Staff Report No. 119

**RESOLUTION NO. 11772**

**RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC SAFETY/POLICE TO ACCEPT GRANT MONIES FROM THE OFFICE OF TRAFFIC SAFETY IN THE AMOUNT OF \$96,852.49 OR A LESSER AMOUNT, AS AWARDED BY THE DEPARTMENT OF PUBLIC SAFETY, TO FUND A POLICE OFFICER DEDICATED TO DWI ENFORCEMENT**

- D. Consider the approval of Amendment #1 to the Construction and Maintenance Agreement with Chamberlain Apartments, LLC that modifies indemnification provisions in the agreement for the apartments constructed at 6630, 6700, and 6701 Richfield Parkway. Staff Report No. 120
- E. Consider the adoption of a resolution authorizing Amendment #2 to the partnership agreement between the City of Richfield and the Minnesota Department of Transportation (MnDOT) for the purchase/storage of salt through June 30, 2022. Staff Report No. 121

**RESOLUTION NO. 11773**

**RESOLUTION AUTHORIZING THE CITY OF RICHFIELD TO ENTER INTO AMENDMENT #2 TO MNDOT PARTNERSHIP AGREEMENT NO. 1030429 WITH THE MINNESOTA DEPARTMENT OF TRANSPORTATION FOR THE PURCHASE/STORAGE OF SALT UNTIL JUNE 30, 2022**

- F. Consider a resolution approving a License Agreement with Spohn's Automotive Inc. for the parking lot at Cedar Avenue and Diagonal Boulevard and authorize the City Manager and Mayor to execute any renewals to the License Agreement after October 13, 2020. Staff Report No. 122

**RESOLUTION NO. 11774**

**RESOLUTION APPROVING A LICENSE AGREEMENT WITH SPOHN'S AUTOMOTIVE, INC.**

M/Whalen, S/Garcia to approve the consent calendar.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE  
Garcia: AYE  
Whalen: AYE

Motion carried 3-0

<b>Item #3</b>	<b>CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR</b>
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None

Mayor Regan Gonzalez reviewed the grouping of public hearings but each motion passed will be made individually.

<b>Item #4</b>	<b>PUBLIC HEARING AND CONSIDER A RESOLUTION ADOPTING THE ANNUAL LYNDALDE/HUB/NICOLLET (LHN) MAINTENANCE DISTRICT ASSESSMENT. STAFF REPORT NO. 125</b>
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<b>Item #5</b>	<b>PUBLIC HEARING AND CONSIDER RESOLUTIONS ADOPTING THE ANNUAL INTERSTATE/LYNDALDE/NICOLLET (ILN) PROJECT AREA ASSESSMENT AND PROPOSED WORK FOR 2021. STAFF REPORT NO. 124</b>
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Council Member Garcia presented staff reports 125; and 124 along with opening the public hearing.

Senior Office Assistant Wynn confirmed there were no callers for the public hearing and reviewed how residents can call 612-861-0651 to participate live during public hearings.

M/Garcia, S/Whalen to close the public hearing.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE  
Garcia: AYE  
Whalen: AYE

Motion carried 3-0

M/Garcia, S/Whalen to Conduct and close the public hearing and by motion adopt a resolution adopting the assessment on the Lyndale/HUB/Nicollet (LHN) district for costs incurred to maintain the area for 2019.

**RESOLUTION NO. 11775**

**RESOLUTION ADOPTING ASSESSMENT FOR THE  
LYNDALE/HUB/NICOLLET (LHN) MAINTENANCE FOR THE PERIOD  
JANUARY 1, 2019 TO DECEMBER 31, 2019**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Garcia, S/Whalen to (1) adopt a resolution adopting the assessment on the ILN Project Area for costs incurred to maintain the area for 2019; and (2). Adopt a resolution ordering the undertaking of the current service project within the ILN Project Area for 2021.

**RESOLUTION NO. 11776**

**RESOLUTION ADOPTING ASSESSMENT ON  
INTERSTATE-LYNDALE-NICOLLET (ILN) PROJECT AREA MAINTENANCE FOR  
THE PERIOD JANUARY 1, 2019 TO DECEMBER 31, 2019**

**RESOLUTION NO. 11777**

**RESOLUTION ORDERING THE UNDERTAKING OF CURRENT SERVICE PROJECT WITHIN THE  
INTERSTATE-LYNDALE-NICOLLET (ILN) PROJECT AREA FOR THE PERIOD JANUARY 1, 2021  
TO DECEMBER 31, 2021**

Council Member Whalen clarified these items are to maintain public amenities while projects are taking place in these areas.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

Item #6	<b>PUBLIC HEARING AND CONSIDER A RESOLUTION ADOPTING THE ASSESSMENT FOR REMOVAL OF DISEASED TREES FROM PRIVATE PROPERTY FOR WORK ORDERED FROM JANUARY 1, 2019, THROUGH DECEMBER 31, 2019. STAFF REPORT NO. 123</b>
Item #7	<b>PUBLIC HEARING REGARDING THE SPECIAL ASSESSMENT ROLL FOR WEED ELIMINATION FROM PRIVATE PROPERTY AND REMOVAL OR</b>

	<b>ELIMINATION OF PUBLIC HEALTH OR SAFETY HAZARDS FROM PRIVATE PROPERTY. STAFF REPORT NO. 127</b>
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<b>Item #8</b>	<b>PUBLIC HEARING REGARDING THE SPECIAL ASSESSMENT ROLL FOR UNPAID FALSE ALARM USER FEES AGAINST PRIVATE PROPERTY. STAFF REPORT NO. 128</b>
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<b>Item #9</b>	<b>PUBLIC HEARING REGARDING THE SPECIAL ASSESSMENT ROLL FOR UNPAID VACANT PROPERTY REGISTRATION FEES AGAINST PRIVATE PROPERTY. STAFF REPORT NO. 129</b>
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<b>Item #10</b>	<b>PUBLIC HEARING REGARDING THE ASSESSMENT OF DELINQUENT UTILITY BILLS TO BE CERTIFIED TO PROPERTY TAXES. STAFF REPORT NO. 130</b>
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Council Member Whalen presented staff reports 123; 127; 128; 129; and 130 then opened the public hearing.

Troy Leland, 7000 James Ave S, asked for clarity on property taxes being assessed to resident taxes and how the city will collect payments.

M/Whalen, S/Garcia to close the public hearing.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

Director Regis clarified following Council approval, the 30 day prepayment period will begin. This will allow the residents to prepay the assessment before being sent to the county. After assessments go to the county, interest will begin to accumulate. Information on how to pay the amount is on the letter residents received. Residents may also call the city if they have any questions.

M/Whalen, S/Garcia to approve the resolution adopting the assessment for removal of diseased trees from private property for work ordered from January 1, 2019, through December 31, 2019.

#### **RESOLUTION NO. 11778**

#### **RESOLUTION ADOPTING ASSESSMENT FOR THE REMOVAL OF DISEASED TREES**



**FROM PRIVATE PROPERTY FOR WORK ORDERED DURING JANUARY 1, 2019  
THROUGH DECEMBER 31, 2019**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Whalen, S/Garcia to approve the resolution adopting the assessment for weed elimination from private property and removal or elimination of public health or safety hazards from private property.

**RESOLUTION NO. 11779**

**RESOLUTION ADOPTING ASSESSMENT FOR  
WEED ELIMINATION FROM PRIVATE PROPERTY AND REMOVAL OR ELIMINATION OF PUBLIC  
HEALTH OR SAFETY HAZARDS FROM PRIVATE PROPERTY**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Whalen, S/Garcia to approve the resolution adopting the assessment for unpaid false alarm user fees against private property.

**RESOLUTION NO. 11780**

**RESOLUTION ADOPTING ASSESSMENT FOR  
UNPAID FALSE ALARM FEES FROM PRIVATE PROPERTY**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Whalen, S/Garcia to approve the resolution adopting the assessment for unpaid vacant property registration fees against private property.

**RESOLUTION NO. 11781**

**RESOLUTION ADOPTING ASSESSMENT FOR UNPAID VACANT PROPERTY**

**REGISTRATION FEES AGAINST PRIVATE PROPERTY**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Whalen, S/Garcia to approve the resolution authorizing certification of unpaid water, sanitary sewer, storm water, and street light charges to the county auditor to be collected with other taxes on said properties.

**RESOLUTION NO. 11782****RESOLUTION AUTHORIZING CERTIFICATION OF UNPAID WATER, SANITARY SEWER, STORM WATER, AND STREET LIGHT CHARGES TO THE COUNTY AUDITOR TO BE COLLECTED WITH OTHER TAXES ON SAID PROPERTIES**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

<b>Item #11</b>	<b>CONDUCT A PUBLIC HEARING TO CONSIDER THE PLATTING AND VACATION OF RIGHT-OF-WAY AND UTILITY EASEMENTS AT 6228 PENN AVENUE SOUTH AND 6200 QUEEN AVENUE SOUTH (LUNDS &amp; BYERLYS). STAFF REPORT NO. 126</b>
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Mayor Regan Gonzalez presented staff report 126 and opened the public hearing. She clarified the item does not include the site plan regarding the tree issue.

M/Regan Gonzalez, S/Garcia to close the public hearing.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

M/Supple, S/Whalen to (1) approve the attached transitory ordinance vacating road and utility easements over property located at 6200 and 6228 Penn Avenue South; and (2) approve the attached resolution granting approval of a final plat of Lunds of Richfield.

**RESOLUTION NO. 11783**

**RESOLUTION GRANTING APPROVAL OF A FINAL PLAT FOR  
LUNDS OF RICHFIELD**

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

Item #12	<b>CONSIDER AN AMENDMENT TO APPROVE FINAL DEVELOPMENT PLANS FOR A MIXED USE DEVELOPMENT AT 101 66<sup>TH</sup> STREET EAST (66TH STREET AND 1ST AVENUE). THE PROPOSED AMENDMENT REDUCES COMMERCIAL SPACE AND INCREASES THE NUMBER OF APARTMENTS IN THE PROJECT. STAFF REPORT NO. 131</b>
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Council Member Garcia read staff report 131.

Assistant Director Poehlman clarified the proposal will not significantly change the outside of the building but will make the bottom level living units versus commercial space. The change will alter the parking regulations.

Council Member Garcia believes this will be an improvement to the original proposal.

M/Garcia, S/Regan Gonzalez to approve the attached resolution approving an amendment to the conditional use permit and final development plans for 101 66th Street East.

**RESOLUTION NO. 11784**

**RESOLUTION APPROVING AN AMENDED FINAL DEVELOPMENT PLAN  
AND CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT  
AT 101 66TH STREET EAST**

Council Member Whalen agreed with Council Member Garcia in that this is an improvement with the addition of more affordable housing units. More housing units will reduce the amount of traffic versus having commercial space. He then asked where the trash and recycling will be located.

Assistant Director Poehlman stated staff will continue to work with the developer to have trash and recycling inside the building.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE  
Garcia: AYE  
Whalen: AYE

Motion carried 3-0

<b>Item #13</b>	<b>CONSIDER APPROVAL OF THE CLIMATE ACTION PLAN. STAFF REPORT NO. 132</b>
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Council Member Whalen read staff report 132 and thanked staff and the Sustainability Commission for weighing in on this item and contributing ideas.

Director Markle thanked Sustainability Specialist Lindholm for her knowledge and expertise in guiding the city through this process. The plan has 80 action items to prioritize efforts and will have the ability to be assessed each year. This plan will work toward making the city more sustainable.

Sustainability Specialist Lindholm thanked Council for guidance during the process and being advocates for the plan.

Council Member Whalen reminded residents the plan was discussed in detail in a previous work session. He spoke of how this is a plan for action and the city will be able to see each year how the city is working toward becoming sustainable. There will be more ways for the public to get involved in the future.

M/Whalen, S/Garcia to approve the Climate Action Plan.

Mayor Regan Gonzalez emphasized that this is a living document and will continue to change each year. She then asked if there is a way for the Sustainability Commission to be aware of how many and what questions staff and Council are receiving regarding the CAP.

Director Markle confirmed this can be added to the monthly agenda for the Sustainability Commission.

Mayor Regan Gonzalez spoke of how it would be a great opportunity for residents to get real time information about what is being seen. She expressed her excitement to this plan become action and how it will affect the future work including equity and affordable housing.

Sustainability Specialist Lindholm reminded Council and residents the Sustainability Commission is open for public comment as well.

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE  
Garcia: AYE  
Whalen: AYE

Motion carried 3-0

<b>Item #14</b>	<b>CITY MANAGER REPORT</b>
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City Manager Rodriguez commented on the increase in community transmission of COVID and how fatigue is affecting everyone. She stated how important it is for people to stay home if not feeling well and to wash hands frequently as the cold and flu season is approaching quickly.

Council Member Garcia expressed appreciation to residents for their patience while waiting to enter city hall to conduct business. Residents and staff are taking protocol very seriously and everyone is following instructions to keep everyone as safe as possible.

<b>Item #15</b>	<b>CLAIMS AND PAYROLL</b>
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M/Garcia, S/Whalen that the following claims and payrolls be approved:

<b>U.S. Bank</b>	<b>10/13/2020</b>
A/P Checks 291133 - 291566	\$ 2,070,912.99
Payroll: 157167 - 157467	660,974.45
<b>TOTAL</b>	<b>\$ 2,731,887.44</b>

Executive Analyst Martinez Gavina took roll call vote:

Regan Gonzalez: AYE

Garcia: AYE

Whalen: AYE

Motion carried 3-0

<b>Item #16</b>	<b>HATS OFF TO HOMETOWN HITS</b>
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Council Member Garcia spoke of the importance of voting and crucial it is to partake. City hall is open for absentee voting and asked residents to please wear a mask and follow protocol. She then spoke of an event on October 24 from 10-2 where the Richfield Police Department will be open for a drive through prescription drop off and encouraged residents to properly dispose of those medications. She then thanked RPD for offering this service for the community.

Council Member Whalen also emphasized the importance of voting. He then spoke of the virtual event for Building Dignity and Respect Standards Council that is a new partnership of a number of groups that work directly with city construction workers. The city continues to work toward fair treatment at a local level. He also reminded citizens of the WaterSmart portal information that was sent out and what a wonderful program where residents can track their water usage along with other tips and tricks.

Mayor Regan Gonzalez thanked everyone who was able to attend and celebrate the exceptional event honoring Council Member Garcia.

Council Member Garcia commended staff for their support and efforts in planning the event. She commented on the loyalty she feels from the community as it is has truly good and decent people living in this city and. She spoke of her past office experience how grateful she is to have served Richfield.

Mayor Regan Gonzalez thanked Council Member Garcia for her leadership and how she will continue to lead in the community as she is a true public servant. She spoke of how she will continue to inspire others and she has done so many times in the past.

Mayor Regan Gonzalez reminded residents that recordings are available on the city website regarding City Council candidate forums. She also spoke of the three open positions on the Charter Commission. The term is four years and information can be found on the city website of how to apply. Lastly, she reminded residents to apply for the small business forgivable loans if they are in need.

<b>Item #17</b>	<b>ADJOURNMENT</b>
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The meeting was adjourned by unanimous consent at 8:21 p.m.

Date Approved: October 27, 2020

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Maria Regan Gonzalez  
Mayor

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Kelly Wynn  
Senior Office Assistant

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Katie Rodriguez  
City Manager



**STAFF REPORT NO. 133**  
**CITY COUNCIL MEETING**  
**10/27/2020**

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director/City Engineer  
10/19/2020

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
10/20/2020

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution amending and restating the I-35W Solutions Alliance Joint Powers Agreement.**

**EXECUTIVE SUMMARY:**

The I-35W Solutions Alliance was formed in 1989 to improve the capacity to move people and goods in the I-35W corridor. Priority projects for the I-35W Solutions Alliance in the near term are as follows:

- I-35W/I-494 Interchange Improvements;
- I-35 Safety and Mobility Improvements to CSAH 70 (Burnsville/Lakeville);
- D-Line Bus Rapid Transit;
- 77th St Underpass and I-494 Access Reconfiguration; and
- TH 13 Improvements between US 169 and Nicollet Ave (Burnsville/Savage).

Proposed amendment to the agreement includes an extension through December 31, 2030. The work of the group will continue to be conducted through monthly meetings with the Board of Directors representing the cities and counties along I-35W. Member cities and counties include:

- Burnsville
- Bloomington
- Lakeville
- Richfield
- Savage
- Minneapolis
- Elko New Market
- Scott County
- Dakota County
- Hennepin County

Dakota County Commissioner Liz Workman is the current Chair of the Alliance.

**RECOMMENDED ACTION:**

**By Motion: Adopt the resolution amending and restating the I-35W Solutions Alliance Joint Powers Agreement.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

**About**

The I-35W Solutions Alliance, established in 1989, is a multi-jurisdictional Joint Powers Agreement among the cities of Bloomington, Burnsville, Elko New Market, Lakeville, Minneapolis, Richfield, Savage and Dakota, Hennepin and Scott Counties. The I-35W Solutions Alliance includes its partner agencies Minnesota Department of Transportation, Metropolitan Council, MetroTransit, and Minnesota Valley Transit Authority.

Working together, the I-35W Solutions Alliance members and agency partners along the I-35 Corridor between Lakeville and downtown Minneapolis, including Cedar Avenue/Hwy 77 and Hwy 169 and east/west connectors - support funding, building, operating and maintaining a robust multimodal transportation system that reduces congestion, improves safety, and enables the metropolitan area and the state of Minnesota to better compete with other areas of the United States and the world

**Mission**

Working together to enhance safety, reduce congestion and maximize economic development along the I35W corridor and its feeder routes; Cedar Ave/Hwy 77 and Hwy 169 by advocating for the funding, building and maintenance of a robust multimodal transportation system.

**B. POLICIES (resolutions, ordinances, regulations, statutes, etc):**

The mission, priorities, and work of the I-35W Solutions Alliance allows Richfield to make strides towards the goals laid out in the Comprehensive Plan (Chapter 7 - Transportation).

**C. CRITICAL TIMING ISSUES:**

The current I-35 Solutions Alliance Joint Powers Agreement expires at the end of 2020.

**D. FINANCIAL IMPACT:**

- Member cities pay annual dues to support the organization in its work.
- The 2020 dues policy is attached to this staff report.
- Based on the current dues framework, Richfield's annual membership dues are \$3,000.

**E. LEGAL CONSIDERATION:**

The City Attorney has reviewed this Joint Powers Agreement and will be available to answer questions.

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
▢ 35W Alliance JPA	Contract/Agreement
▢ Dues Policy and Fund Balance Policy 2020	Exhibit
▢ Resolution	Resolution Letter



**THIRD AMENDED AND RESTATED JOINT POWERS AGREEMENT  
ESTABLISHING THE I-35W SOLUTIONS ALLIANCE**

**THIRD AMENDED AND RESTATED JOINT POWERS AGREEMENT**  
**ESTABLISHING THE I-35W SOLUTIONS ALLIANCE**

The parties to this Agreement are Governmental Units of the State of Minnesota which have land in the Interstate 35W corridor, or are impacted by I-35W. This Agreement is made pursuant to the authority conferred upon the parties by Minnesota Statute §471.59.

**Section 1. Name.** The parties hereby create and establish The I-35W Solutions Alliance.

**Section 2. General Purpose.** The purpose of this Agreement is for the Governmental Units to jointly and cooperatively provide an organized effort to improve mobility for all transportation modes in the I-35W corridor, its feeder routes, and its traffic shed.

**Section 3. Definitions.**

Subdivision 1. “Solutions Alliance” means the joint powers organization created by this Agreement the full name of which is “The I-35W Solutions Alliance.”

Subdivision 2. “Board” means the Board of Directors of the Solutions Alliance.

Subdivision 3. “Ex-Officio Member” means a person or entity selected by the Solutions Alliance to have special status with the Solutions Alliance, with only the rights specified in this Agreement.

Subdivision 4. “Governing Body” means the council, board, body or persons in which the powers of a Governmental Unit that is a Member of this Solutions Alliance is vested.

Subdivision 5. “Governmental Unit” means any city, county or rail authority that is a party to this Agreement.

Subdivision 6. “Member” means a Governmental Unit that is a party to this Agreement.

**4. Membership.** The Members of the Solutions Alliance shall consist of the following Governmental Units:

City of Burnsville  
City of Bloomington  
City of Elko New Market  
City of Lakeville  
City of Richfield  
City of Savage  
Dakota County  
City of Minneapolis  
Hennepin County Regional Railroad Authority  
Scott County

No change in governmental boundaries, structure, organizational status or character shall affect the eligibility of any Governmental Unit listed above to be represented on the Solutions Alliance as long as such Governmental Unit continues to exist as a separate political subdivision. Any other governmental entity may become a Member upon approval of the Board, execution of this Joint Power Agreement, and payment of the contribution prescribed by the Board.

**5. Board of Directors.**

Subdivision 1. The governing body of the Solutions Alliance shall be its Board of Directors, which shall be responsible for managing its affairs, exercising its powers, and performing its duties.

Subdivision 2. Each Member shall appoint up to two Directors and up to two Alternates. Directors shall serve at the pleasure of the appointing Member and may be removed only by the appointing Member. Vacancies shall be filled only by the appointing Member. Incumbent Directors serve until a successor has been designated. A Member shall provide written notice of appointments to the Secretary/Treasurer of the Solutions Alliance.

Subdivision 3. Directors shall serve without compensation from the Solutions Alliance. A Governmental Unit may provide compensation for a Director it appoints to the Board.

Subdivision 4. Each Director shall have one vote. All votes must be cast by Directors or Alternates in attendance at a Board Meeting. Voting by proxy is not permitted. An Alternate may vote only in the absence of a Director of the same Member. A vote of the Board may take place via email in an emergency, if there is no objection from a Director or Alternate in case of the absence of a Director.

Subdivision 5. A quorum shall consist of a majority of the Directors listed on the most current sign-in sheet, including Alternates that are in attendance on behalf of absent Directors. The sign-in sheet is the board roster and shall list all Directors and Alternates.

Subdivision 6. A vacancy on the Board shall be filled by the Governing Body that made the appointment.

Subdivision 7. The Board may create and appoint members to such committees as it determines necessary. Committee members, other than the chair of a committee, need not be a Director.

**6. Ex-Officio Members.** The Minnesota Department of Transportation, Metropolitan Council, Hennepin County, 494 Corridor Commission, the Minnesota Valley Transit Authority, and Metropolitan Council Members whose districts include part or all of a Governmental Unit shall be Ex-Officio Members. The Solutions Alliance Board may designate additional Ex-Officio Members. Ex-Officio Members may participate in discussions of the Solutions Alliance Board but may not vote. The Solutions Alliance may establish such further rules for Ex-Officio Members as it deems fit and proper that are not inconsistent with this agreement.

**7. Powers and Duties of the Solution Alliance.** The powers and duties of the Solutions Alliance shall include the power or duty to:

Subdivision 1. Prepare and adopt a plan and seek passage of legislation by local, state and federal governments to improve mobility for all transportation modes in the I-35W corridor, its feeder routes, and its traffic shed.

Subdivision 2. Cooperate with the Minnesota Department of Transportation and participate in preparation of environmental impact analyses of I-35W improvements, including preliminary geometric design and evaluation of high-occupancy vehicle lanes and transit on I-35W.

Subdivision 3. Research and recommend funding strategies to enhance the movement of people and goods and relieve congestion in the I-35W corridor.

Subdivision 4. Research and recommend funding strategies and seek legislation to improve traffic to relieve congestion, to create alternatives to traveling on I-35W, and to increase and improve the transportation of people and goods in the I-35W corridor.

Subdivision 5. Research travel demand management strategies and ordinances, develop model ordinances and recommend joint action on such strategies and ordinances by the Members.

Subdivision 6. Research and make recommendations to the Members regarding other matters related to the Solutions Alliance's purpose.

Subdivision 7. Cooperate with the Minnesota Department of Transportation and the Metropolitan Council in the development of transit operation plans that impact I-35W.

Subdivision 8. Monitor land use development, traffic volumes and travel characteristics in the I-35W corridor.

Subdivision 9. Educate members and others on transportation issues regarding the movement of people and goods in the I-35W corridor.

Subdivision 10. Consult with persons knowledgeable in transportation, such as research organizations, educational institutions, other political subdivisions, regulatory organizations, technical experts and any other persons who can provide pertinent information.

Subdivision 11. Serve as a regional forum and cooperate or contract with the State of Minnesota or any subdivision thereof, the Metropolitan Council, or federal agency or private or public organization to accomplish the purposes for which The I-35W Solutions Alliance is organized.

Subdivision 12. Contract for or purchase such insurance as the Board deems necessary for the protection of the Solutions Alliance.

Subdivision 13. Accumulate reserve funds for the purposes herein mentioned and invest funds of the Solutions Alliance not currently needed for its operations.

Subdivision 14. Collect money, subject to the provisions of this Agreement, from its Members and from any other source approved by a majority of its Board.

Subdivision 15. Make contracts, employ consultants, incur expenses and make expenditures necessary and incidental to the effectuation of its purposes and powers. Contracts let and purchases made by the Solutions Alliance shall conform to the bid and contracting requirements of applicable state and/or federal law. All contract approvals require a majority vote of the Board.

Subdivision 16. Recommend changes in this Agreement to its Members. This Agreement may be amended by written agreement of all of the Governmental Units. The Effective Date of the Amendment shall be as provided in Section 15 of this Agreement.

Subdivision 17. Exercise all other powers necessary and incidental to the implementation of the purposes and powers set forth herein.

Subdivision 18. Cause to be made an annual audit of the books and accounts of the Solutions Alliance and to make and file a financial report to its Members at least once each year. The annual audit will be conducted by an audit committee comprised of at least one Member who is not our current Secretary/Treasurer or their designee.

Subdivision 19. Keep books and records of The I-35W Solutions Alliance in accordance with Minn. Stat. Ch. 13 at the administrative center of the Member designated by the Board as the repository for them subject to agreement by the member to serve as the repository.

## **8. Meetings.**

Subdivision 1. The Board shall determine the time and place of regular meetings of the Board of Directors and shall hold such meetings as frequently as it determines necessary to carry out the purposes of the Solutions Alliance. Written notice of Board meetings shall be provided to all Members.

Subdivision 2. Special meetings of the Board may be called by the Chair or upon written request of a majority of the Directors. Five days written notice of a special meeting shall be given to the Directors and Ex-Officio Members, unless waived in writing by each Director.

Subdivision 3. Meetings of the Board and Committees shall be open to the public as required by the Open Meeting Law, Minnesota Statutes Chapter 13D. To the extent authorized by law, including but not limited to Minnesota Statutes Section 13D.021, meetings may be

conducted remotely, such as by telephone, interactive television, or other electronic means.

Remote meetings require roll call votes on action items.

## **9. Officers.**

Subdivision 1. Number, election, qualifications – The officers of the Board shall consist of a Chair, a Vice-Chair, and a Secretary/Treasurer. Each Officer shall be elected annually by the Board and shall hold office until their successor takes office, earlier disqualification, death, resignation, or termination of appointment as a Director. The Board may vote to appoint an Officer to fill a remaining term of office if replacing an Officer who has departed the Board. All Officers must be Directors. No two Officers may be from the same Member. Two of the three Officers of the Board shall be elected officials. No Officer may serve more than four consecutive years in the same officer position.

Subdivision 2. Chair; Vice-Chair - The Chair shall preside at all meetings of the Board and shall perform all duties incident to the office of Chair, and such other duties as may be delegated by the Board. The Vice-Chair shall act as Chair in the absence of the Chair.

Subdivision 3. Secretary/Treasurer - The Secretary/Treasurer shall be responsible for keeping a record of all the proceedings of the Solutions Alliance. The Secretary/Treasurer may designate a person or persons to assist the Secretary/Treasurer in performance of their duties. The Secretary/Treasurer or designee shall send written notice of meetings and material pertaining to agenda items to each Director and Ex-Officio Member. The Secretary/Treasurer or designee shall have custody of the Solutions Alliance's funds, shall collect its annual dues, pay its bills, shall keep its financial records, and generally conduct the financial affairs of the Solutions Alliance. The Secretary/Treasurer shall be responsible for such other matters as shall be delegated by the Board.



Subdivision 5. Other Officers - The Board may vote to appoint other Officers for a one year term if a new Officer position is deemed necessary, such as an Immediate Past Chair if the former Chair is active on the Board as a Director.

Subdivision 6. All Officers of the Board will make up the Executive Committee, which will meet as deemed necessary by the Chair or a majority of the Committee.

## **10. Finances.**

Subdivision 1. The Solutions Alliance funds may be expended by the Board in accordance with this Agreement and in a manner determined by the Board. The Board may designate one or more national or state bank or trust companies authorized to receive deposits of public monies to act as depositories for the Solutions Alliance funds. It may contract with a Member to provide services and assistance regarding its funds. The Solutions Alliance shall designate its Officers, or the designee of an Officer, who shall be authorized to sign instruments. In no event shall there be a disbursement of Solutions Alliance funds without the signature of at least two of the designated authorized signatories.

Subdivision 2. Each Member agrees to contribute annual dues to a general fund of the Solutions Alliance, said fund to be used for general administration purposes including, but not limited to: contracts for services and goods, salaries, supplies, carrying out the purpose of this Agreement, insurance, and bonds. The annual dues to be contributed by each Member shall be determined in accordance with a funding formula approved by the Board, and shall be paid by March 1 of each year.

Subdivision 3. On or before July 1 of each year, the Board shall adopt a general administrative budget for the ensuing year and decide upon the total amount necessary for the general fund. The Treasurer of the Board shall certify the budget on or before July 1 to the clerk

of each Member, together with a statement of the proportion of the budget to be contributed by each Member as annual dues.

Subdivision 4. Any Member may withdraw from the Solutions Alliance by giving notice to the Chair of the Solutions Alliance of such action by the Member's Governing Body prior to August 1. If a Member gives notice after August 1 of their intent to leave the Alliance, that Member is required to pay the following year's dues, unless the Board votes to allow the withdrawal.

Any Member withdrawing under this provision shall have no further liability or obligation to the Solutions Alliance except for payment of its annual dues for the year in which it withdraws, and shall not be entitled to any refund from the Solutions Alliance. The withdrawal shall be effective on December 31 of the year of withdrawal, unless an earlier date is specified by the withdrawing Member.

Subdivision 5. Any Member that has withdrawn from the Solutions Alliance, may, with the approval of the Board continue as an Ex-Officio Member without further financial contribution to the Solutions Alliance.

## **11. Miscellaneous.**

Subdivision 1. Any Member may conduct separate or concurrent studies on any matter under study by the Solutions Alliance.

## **12. Duration.**

Subdivision 1. Each Member agrees to be bound by the terms of this Agreement until December 31, 2030. This Agreement may be continued thereafter upon the written agreement of all the Members.

Subdivision 2. This Agreement may be terminated prior to December 31, 2030, by the written agreement of 3/4 of the Members.

Subdivision 3. In addition to termination under Subdivision 2, above, any Member may petition the Board to dissolve the Solutions Alliance. Upon 30 days' notice in writing to the clerk of each Member, the Board shall hold a meeting and upon affirmative vote by 3/4 of all eligible votes of then existing Directors, the Board may pass a resolution recommending that the Solutions Alliance be dissolved. If such a resolution is passed by the Board, the resolution shall be submitted to each Member and if ratified by 3/4 of the Governing Bodies of all Members within 60 days of the date the Board passed the resolution, the Board shall dissolve the Solutions Alliance after completing work in progress and disposing of all property owned by the Solutions Alliance.

**13. Dissolution.** Upon dissolution of the Solutions Alliance, all property of the Solutions Alliance shall be sold and the proceeds thereof, together with monies on hand, shall be distributed to the Members of the Solutions Alliance. Such distribution of Solutions Alliance assets to the Members shall be made in proportion to the annual dues each contributed to the Solutions Alliance as required by the last annual budget. The Chair shall notify all Members of the Solutions Alliance when the dissolution process and distribution of property has been completed, and at that time the Solution Alliance shall be dissolved.

**14. Separate Public Entity.**

Subdivision 1. The I-35W Solutions Alliance is a separate and distinct public entity to which the parties have transferred all responsibility and control for actions taken pursuant to this Agreement. The I-35W Solutions Alliance shall comply with all laws and rules that govern a

public entity in the State of Minnesota and shall be entitled to the protections of Minn. Stat. Ch. 466.

Subdivision 2. The I-35W Solutions Alliance shall fully defend, indemnify and hold harmless the parties against all claims, losses, liability, suits, judgments, costs and expenses by reason of the action or inaction of the Board of Directors and/or agents of the I-35W Solutions Alliance. This Agreement to indemnify and hold harmless does not constitute a waiver of limitations on liability provided under Minn. Stat. Sec. 466.04.

To the full extent permitted by law, action by parties pursuant to this Agreement are intended to be and shall be construed as a “cooperative activity” and it is the intent of the parties that they shall be deemed a “single governmental unit” for the purposes of liability, as set forth in M.S. §. 471.59, Subd. 1a(a), provided further that for purposes of that statute, each party to the Agreement expressly declines responsibility for the acts or omissions of the other parties. The parties to this Agreement are not liable for the acts or omissions of the other parties to this Agreement except to the extent they have agreed in writing to be responsible for the acts or omissions of the other parties.

**15. Effective Date.** This Amended and Restated Joint Powers Agreement shall be effective December 31, 2020, after all Members file a certified copy of a resolution approving the Amendment and upon the execution of this Agreement by all Members. All Members need not sign the same copy. Each Member shall file the resolution and signed Agreement with the City Manager of the City of Burnsville, who shall notify the Members in writing when all Members have done so.

IN WITNESS WHEREOF, the undersigned Governmental Units, by action of their Governing Bodies, have caused this Agreement to be executed in accordance with the authority of Minnesota Statute §471.59.

CITY OF BLOOMINGTON

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF BURNSVILLE

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF ELKO NEW MARKET

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF LAKEVILLE

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF MINNEAPOLIS

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF RICHFIELD

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

Approved by the City Council on  
\_\_\_\_\_, 2020

CITY OF SAVAGE

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

Approved by the City Council on  
\_\_\_\_\_, 2020

DAKOTA COUNTY

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

Approved by the Dakota County Board  
\_\_\_\_\_, 2020

HENNEPIN COUNTY REGIONAL RAIL AUTHORITY

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

Approved by the Hennepin County  
Regional Railroad Authority Board  
\_\_\_\_\_, 2020

SCOTT COUNTY

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

Approved by Scott County Board  
\_\_\_\_\_, 2020

**THE I-35W SOLUTIONS ALLIANCE**  
**DUES BASED UPON POPULATION POLICY**  
**AND**  
**FUND BALANCE POLICY**

BE IT RESOLVED that the Board adopts the following policies:

Policy 1 – Dues Based Upon Population

There shall be three categories of dues based upon the following population level:

<u>Population</u>	<u>Dues Category</u>
19,999 or less	\$2,000
20,000 to 59,999	\$3,000
60,000 and above	\$6,000

Policy 2 – Fund Balance Policy

Member organizations shall pay dues according to the current Dues Based Upon Population policy until a surplus equivalent to 1 year's total membership dues is reached, which is currently \$50k. Upon such time said surplus is reached at the end of any year, dues shall decrease proportionately for all member organizations to fund only anticipated annual expenses until such time the Alliance starts utilizing said fund balance for any purpose. Fees shall then increase according to the Dues Based Upon Population policy above until the surplus equivalent to 1 year's total membership dues is reached again.

Adopted by the Board of Directors on September 10, 2020.

THE I-35W SOLUTIONS ALLIANCE

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

**RESOLUTION NO.**

**RESOLUTION APPROVING THE THIRD AMENDED AND RESTATED JOINT  
POWERS AGREEMENT ESTABLISHING THE I-35W SOLUTIONS ALLIANCE**

**WHEREAS**, the City Council of Richfield is the official governing body of the City of Richfield; and

**WHEREAS**, the City of Richfield is a member of the Joint Powers Agreement creating and establishing the I-35W Solutions Alliance; and

**WHEREAS**, the existing Joint Powers Agreement will expire on December 31, 2020, unless continued upon written agreement by all members; and

**WHEREAS**, it is in the best interests of the City of Richfield, the region and the state to continue the work of the I-35W Solutions Alliance.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Richfield, Minnesota, as follows:

1. That the City Council of the City of Richfield hereby approves and adopts the Third Amended and Restated Joint Powers Agreement attached to this resolution.
2. That the City Council of the City of Richfield will execute the Third Amended and Restated Joint Powers Agreement, and that a certified copy of this resolution approving it will be filed with the City Clerk of Burnsville, Minnesota.

Adopted by the City Council of the City of Richfield, Minnesota this 27th day of October 2020.

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Maria Regan Gonzalez, Mayor

ATTEST:

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Elizabeth VanHoose, City Clerk





**STAFF REPORT NO. 134**  
**CITY COUNCIL MEETING**  
**10/27/2020**

REPORT PREPARED BY: Scott Kulzer, Administrative Aide/Analyst

DEPARTMENT DIRECTOR REVIEW: Kristin Asher, Public Works Director/City Engineer  
10/19/2020

OTHER DEPARTMENT REVIEW: N/A

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
10/20/2020

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of a resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and the Minnesota Department of Health (MDH).**

**EXECUTIVE SUMMARY:**

**Grant Award**

In March of 2020, the City of Richfield applied for a Source Water Protection Plan Implementation Grant. In May of 2020 the City received notice that the grant application had been approved. The total grant awarded is \$2,930 with the funding available until April 30, 2021.

**Task 1**

Part of this grant will be used to prepare and mail information to owners of chemical storage and hazardous waste generator properties in the Drinking Water Supply Management Area (DWSMA) to encourage them to conduct self-audits of their chemical storage/handling and waste handling and to request a site visit from the Minnesota Technical Assistance Program (MnTAP). Property owners will become aware of issues related to their chemical storage or waste generation and handling and learn of available assistance for identifying ways to improve chemical storage and minimize and properly dispose of their waste.

**Task 2**

The remainder of the grant will be used to develop wellhead and source water protection program information for periodic distribution via Richfield's news and events notification systems and/or posting on the City's website. This distributed and posted information is intended to educate owners of properties in the DWSMA and the general public about the City's Wellhead and Source Water Protection Program, groundwater protection principles, and steps that everyone can take to protect the City's municipal water supply.

**RECOMMENDED ACTION:**

**By Motion: Approve the resolution authorizing the Source Water Protection Plan Implementation Grant agreement between the City of Richfield and MDH.**

**BASIS OF RECOMMENDATION:**

A. **HISTORICAL CONTEXT**

See executive summary.

B. **POLICIES (resolutions, ordinances, regulations, statutes, etc):**

Minnesota Statutes section 465.03 requires that the City approve a resolution accepting any and all grant funds.

C. **CRITICAL TIMING ISSUES:**

Terms of the grant agreement are effective following adoption of the resolution through April 30, 2021. The allotted grant funds must be spent by April 30, 2021.

D. **FINANCIAL IMPACT:**

The grant money aids in reducing the costs associated with managing the City of Richfield Wellhead Protection Plan – Part 2, items 7.3.4, 7.4.1 & 7.4.3.

E. **LEGAL CONSIDERATION:**

The City attorney has reviewed the grant agreement.

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None

**ATTACHMENTS:**

Description	Type
▣ SWP Implementation Grant Agreement	Contract/Agreement
▣ SWP Implementation Grant Agreement Resolution	Contract/Agreement



Vendor Name & Doing Business As (D/B/A when applicable): City of Richfield (DBA Name 2 – Finance Director City Hall)		Vendor Number: 0000197711		Vendor Location Code: 001	
Vendor Address: 6700 Portland Avenue S., Richfield, MN 55423		Vendor Remit-to Address (if different):			
Requestor's Name & Employee ID#: (required by SWIFT): Eddie Wojski / 01128746		Certified TG/ED/VO Vendor : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Not applicable for grant			
Starting State Fiscal Year:	2020	Amount of Original Agreement:		\$2,930.00	
Agreement Start Date:	May 20, 2020	Amount of Original + ALL Previous Amendments:			
Agreement End Date:	April 30, 2021	Amount of this Amendment ONLY:			
Amended End Date:		Grand Total (Original + all Amendments):		\$2,930.00	
Select Amendment Type:	Language Only <input type="checkbox"/>	Time Only <input type="checkbox"/>	Money Only <input type="checkbox"/>	Time and Money <input type="checkbox"/>	

## Special Instructions:

Does this contract contain non-public data? ☐ Yes ☒ No

If "Yes" provide a Contract/PO description for SWIFT:

## ACCOUNTING INFORMATION

State Fiscal Year 2020						
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount	Project Funding Start Date
2302	H1232117	H12162P			\$ 2,930.00	7/1/2019
	H123	H12			\$	
	H123	H12			\$	
State Fiscal Year 202						
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount	Project Funding Start Date
	H123	H12			\$	
	H123	H12			\$	
	H123	H12			\$	
State Fiscal Year 202						
Fund	Dept ID	Appr ID	Project ID	Activity ID	Amount	Project Funding Start Date
	H123	H12			\$	
	H123	H12			\$	
	H123	H12			\$	

## FINANCIAL MANAGEMENT USE ONLY

Encumbrance Signature	Sabrina Sutter	Digitally signed by Sabrina Sutter Date: 2020.05.13 14:46:06 -05'00'	Date	5/13/2020
Contract Number	176770		Origin Code	649
Purchase Order Number	3-74829		Source Type	
Category Code	84101501		Account ID	441352

REVIEWED

By rodrim1 at 10:48 am, May 19, 2020

**Minnesota Department of Health  
Grant Agreement**

This grant agreement is between the State of Minnesota, acting through its Commissioner of the Department of Health ("State") and City of Richfield ("Grantee"). Grantee's address is 6700 Portland Avenue S., Richfield, Minnesota 55423.

**Recitals**

1. MDH is empowered to enter into this grant agreement under Minn. Stat. § 144.0742 and § 114D.50 (Clean Water Fund).
2. The State is in need of assisting public water suppliers to protect the source of drinking water.
3. The Grantee represents that it is duly qualified and will perform all the duties described in this agreement to the satisfaction of the State. Pursuant to Minnesota Statutes section 16B.98, subdivision 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

**Grant Agreement****1. Term of Agreement**

**1.1 Effective date** May 20, 2020, or the date the State obtains all required signatures under Minnesota Statutes section 16C.05, subdivision 2, whichever is later.

**The Grantee must not begin work until this contract is fully executed and the State's Authorized Representative has notified the Grantee that work may commence.**

**1.2 Expiration date** April 30, 2021, or until all obligations have been fulfilled to the satisfaction of the State, whichever occurs first.

**1.3 Survival of Terms** The following clauses survive the expiration or cancellation of this grant contract: 8. Liability; 9. State Audits; 10.1 Government Data Practices; 10.2 Data Disclosure; 12. Intellectual Property; 14.1 Publicity; 14.2 Endorsement; and 16. Governing Law, Jurisdiction, and Venue.

**2. Grantee's Duties** The Grantee, who is not a state employee, shall:

- 2.1. Prepare and mail information to owners of chemical storage and hazardous waste generator properties.
- 2.2. Educate owners of properties and the general public about the city's Wellhead and SWP.

- 2.3. Grantee agrees that work shall take place only in the MDH approved Drinking Water Supply Management Area (DWSMA). Grantee will be reimbursed only for work that takes place in the DWSMA.
- 2.4. The Grantee shall use the Clean Water Land and Legacy Amendment logo provided by MDH on all materials that are purchased or produced under this Grant Agreement (equipment, reports to the public, publications, displays, videos). Failure to display the logo may render the Grantee ineligible for reimbursement.
- 2.5. The Grantee shall pay in full any licensed contractor or consultant hired for the purpose of completing any work under this Grant Agreement.
- 2.6. Grantee shall submit an itemized invoice for the total cost of the project to MDH SWP Grant Coordinator.
- 2.7. Upon completion of the project, Grantee shall complete and submit a Grant Invoice (Exhibit A) and a Grant Narrative Report (Exhibit B). The Grant Narrative Report and the Grant Invoice shall be due no later than the expiration day of this Grant Agreement. Exhibits A and B are attached and incorporated into this grant agreement.
- 2.8. On or before the end date of this Agreement, the Grantee shall provide the State with one electronic copy of all final products produced under this Grant Agreement, including reports, publications, software and videos. If required by the nature of the project, data collected during the project shall be reported in a format acceptable to the State.
- 2.9. Update Potential Contaminant Source Inventory (PCSI) locations. Work is approved only where the new Drinking Water Supply Management Area (DWSMA) overlaps the previous DWSMA; not for any area of new DWSMA that is not part of the old DWSMA.
- 2.10. In the event the Grantee is unable to satisfactorily complete all the duties specified in this grant agreement, the Grantee will forfeit the final payment. A Grantee who has not satisfactorily fulfilled the grant obligations, including but not limited to paying the contractor in full for all work performed by the contractor, will be denied participation in the next grant cycle.

**3. Time** The Grantee must comply with all the time requirements described in this grant agreement. In the performance of this grant agreement, time is of the essence, and failure to meet a deadline may be a basis for a determination by the State's Authorized Representative that the Grantee has not complied with the terms of the grant.

The Grantee is required to perform all of the duties recited above within the grant period. The State is not obligated to extend the grant period.

#### 4. Consideration and Payment

##### 4.1 Consideration

The State will pay for all services performed by the Grantee under this grant agreement as follows:

##### 4.1.1 Compensation.

The Grantee will be paid according to the following breakdown of costs:

Activity Summary	Grant Amount
Prepare and mail information to owners of chemical storage and hazardous waste generator properties.	\$1,070.00
Educate owners of properties and the general public about the city's Wellhead and SWP.	\$1,860.00
Total	\$2,930.00

The following cost are not eligible and will be deducted from the final invoice, before reimbursement.

- o Permitting fees payable to MDH (i.e. well construction fee; well sealing fee)
- o Pressure tank and associated plumbing
- o Water lines may be reimbursed only from the well to the pressure tank or to the building. (Whichever comes first)
- o Indirect or administrative costs related to the grant

**(b) Total Obligation** The total obligation of the State for all compensation and reimbursements to the Grantee under this agreement will not exceed Two Thousand Nine Hundred Thirty dollars and Zero cents. (\$2,930.00).

**(c) Travel Expenses** The Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget ("MMB"). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.

**(d) Budget Modifications.** Modifications greater than 10 percent of any budget line item in the most recently approved budget (listed in 4.1(a) and 4.1(b) or incorporated in Exhibit B) requires prior written approval from the State and must be indicated on submitted reports. Failure to obtain prior written approval for modifications greater than 10 percent of any budget line item may result in denial of modification request and/or loss of funds. Modifications equal to or less than 10 percent of any budget line item are permitted without prior approval from the State provided that such modification is indicated on submitted reports and that the total obligation of the State for all compensation

and reimbursements to the Grantee shall not exceed the total obligation listed in 4.1(b).

#### **4.2 Terms of Payment**

**(a) Invoices** The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted in a timely fashion and according to the following schedule:  
Upon completion of the services,"

Grantee shall email invoice to: [health.swpgrants@state.mn.us](mailto:health.swpgrants@state.mn.us)

Or mail to:

Eddie Wojski  
SWP Grant Coordinator  
Minnesota Department of Health  
PO Box 64975  
St. Paul, MN 55164-0975

#### **4.3 Contracting and Bidding Requirements**

##### **4.3.1 Municipalities**

A grantee that is a municipality – defined as a county, town, city, school district or other municipal corporation or political subdivision of MDH authorized by law to enter into contracts - is subject to the contracting requirements set forth under Minn. Stat. § 471.345. Projects that involve construction work are subject to the applicable prevailing wage laws, including those under Minn. Stat. § 177.41, et. seq.

##### **4.3.2 Non-municipalities**

Grantees that are not municipalities must adhere to the following standards in the event that duties assigned to Grantee are to be subcontracted out to a third party:

- i. Any services or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process consistent with the standards set forth under Minn. Stat. ch. 16B.
- ii. Services or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three verbal quotes or bids.
- iii. Services or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two verbal quotes or bids or awarded to a targeted vendor.

- iv. Grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through the following entities are used when possible:
- 1) Minnesota Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List (<http://www.mmd.admin.state.mn.us/process/search/>);
  - 2) Metropolitan Council's Targeted Vendor list: Minnesota Unified Certification Program (<https://mnucp.metc.state.mn.us/>); or
  - 3) Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: Central Certification Program (<https://www.stpaul.gov/departments/human-rights-equal-economic-opportunity/contract-compliance-business-development/central>).
- v. Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, awarding and administration of contracts.
- vi. Grantee must maintain support documentation of the purchasing or bidding process utilized to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.
- vii. Notwithstanding parts (i) through (iv) above, MDH may waive the formal bidding process requirements when:
- Vendors included in response to a competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant or
  - There is only one legitimate or practical source for such materials or services and Grantee has established that the vendor is charging a fair and reasonable price.
- viii. Projects that involve construction work of \$25,000 or more, are subject to applicable prevailing wage laws, including those under Minn. Stat. §§ 177.41 through 177.44.
- ix. Grantee must not contract with vendors who are suspended or debarred in Minnesota. The list of debarred vendors is available at: <http://www.mmd.admin.state.mn.us/debarredreport.asp>

**5. Conditions of Payment** All services provided by Grantee pursuant to this agreement must be performed to the satisfaction of the State, as determined in the sole discretion of its Authorized



Representative. Further, all services provided by the Grantee must be in accord with all applicable federal, state, and local laws, ordinances, rules and regulations. Requirements of receiving grant funds may include, but are not limited to: financial reconciliations of payments to Grantees, site visits of the Grantee, programmatic monitoring of work performed by the Grantee and program evaluation. The Grantee will not be paid for work that the State deems unsatisfactory, or performed in violation of federal, state or local law, ordinance, rule or regulation.

## **6. Authorized Representatives**

**6.1 State's Authorized Representative** The State's Authorized Representative for purposes of administering this agreement is [Eddie Wojski, SWP Grant Coordinator, 625 Robert Street N., PO Box 64975, St. Paul, MN 55164-0975, 651-201-4576, [eddie.wojski@state.mn.us](mailto:eddie.wojski@state.mn.us)], or their successor, and has the responsibility to monitor the Grantee's performance and the final authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

**6.2 Grantee's Authorized Representative** The Grantee's Authorized Representative is [Kristin Asher, Director of Public Works, 6700 Portland Avenue S., Richfield, Minnesota 55423, 612-861-9798, and [mpetersen@richfieldmn.gov](mailto:mpetersen@richfieldmn.gov)], or their successor. The Grantee's Authorized Representative has full authority to represent the Grantee in fulfillment of the terms, conditions, and requirements of this agreement. If the Grantee selects a new Authorized Representative at any time during this agreement, the Grantee must immediately notify the State in writing, via e-mail or letter.

## **7. Assignment, Amendments, Waiver, and Merger**

**7.1 Assignment** The Grantee shall neither assign nor transfer any rights or obligations under this agreement without the prior written consent of the State.

**7.2 Amendments** If there are any amendments to this agreement, they must be in writing. Amendments will not be effective until they have been executed and approved by the State and Grantee.

**7.3 Waiver** If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to enforce it.

**7.4 Merger** This agreement contains all the negotiations and agreements between the State and the Grantee. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.

**8. Liability** The Grantee must indemnify and hold harmless the State, its agents, and employees from all claims or causes of action, including attorneys' fees incurred by the State, arising from the performance of this agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its

obligations under this agreement. Nothing in this clause may be construed as a waiver by the Grantee of any immunities or limitations of liability to which Grantee may be entitled pursuant to Minnesota Statutes Chapter 466, or any other statute or law.

**9. State Audits** Under Minnesota Statutes section 16B.98, subdivision 8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee, or any other relevant party or transaction, are subject to examination by the State, the State Auditor, and the Legislative Auditor, as appropriate, for a minimum of six (6) years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## **10. Government Data Practices and Data Disclosure**

**10.1 Government Data Practices** Pursuant to Minnesota Statutes Chapter 13.05, Subd. 11(a), the Grantee and the State must comply with the Minnesota Government Data Practices Act as it applies to all data provided by the State under this agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of Minnesota Statutes section 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

If the Grantee receives a request to release the data referred to in this clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before any data is released. The Grantee's response to the request must comply with the applicable law.

**10.2 Data Disclosure** Pursuant to Minnesota Statutes section 270C.65, subdivision 3, and all other applicable laws, the Grantee consents to disclosure of its social security number, federal employee tax identification number, and Minnesota tax identification number, all of which have already been provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

**11. Ownership of Equipment** The State shall have the right to require transfer of all equipment purchased with grant funds (including title) to the State or to an eligible non-State party named by the State. This right will normally be exercised by the State only if the project or program for which the equipment was acquired is transferred from one grantee to another.

## **12. Ownership of Materials and Intellectual Property Rights**

**12.1 Ownership of Materials** The State shall own all rights, title and interest in all of the materials conceived or created by the Grantee, or its employees or subgrantees, either individually or jointly with others and which arise out of the performance of this grant agreement, including any inventions, reports, studies, designs, drawings, specifications, notes,

documents, software and documentation, computer based training modules, electronically, magnetically or digitally recorded material, and other work in whatever form ("materials").

The Grantee hereby assigns to the State all rights, title and interest to the materials. The Grantee shall, upon request of the State, execute all papers and perform all other acts necessary to assist the State to obtain and register copyrights, patents or other forms of protection provided by law for the materials. The materials created under this grant agreement by the Grantee, its employees or subgrantees, individually or jointly with others, shall be considered "works made for hire" as defined by the United States Copyright Act. All of the materials, whether in paper, electronic, or other form, shall be remitted to the State by the Grantee. Its employees and any subgrantees shall not copy, reproduce, allow or cause to have the materials copied, reproduced or used for any purpose other than performance of the Grantee's obligations under this grant agreement without the prior written consent of the State's Authorized Representative.

**12.2 Intellectual Property Rights** Grantee represents and warrants that materials produced or used under this grant agreement do not and will not infringe upon any intellectual property rights of another including but not limited to patents, copyrights, trade secrets, trade names, and service marks and names. Grantee shall indemnify and defend the State, at Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or parts of the materials infringe upon the intellectual property rights of another. Grantee shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages including, but not limited to, reasonable attorney fees arising out of this grant agreement, amendments and supplements thereto, which are attributable to such claims or actions. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, Grantee shall at the State's discretion either procure for the State the right or license to continue using the materials at issue or replace or modify the allegedly infringing materials. This remedy shall be in addition to and shall not be exclusive of other remedies provided by law.

**13. Workers' Compensation** The Grantee certifies that it is in compliance with Minnesota Statutes section 176.181, subdivision 2, which pertains to workers' compensation insurance coverage. The Grantee's employees and agents, and any contractor hired by the Grantee to perform the work required by this Grant Agreement and its employees, will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees, and any claims made by any third party as a consequence of any act or omission on the part of these employees, are in no way the State's obligation or responsibility.

#### **14. Publicity and Endorsement**

**14.1 Publicity** Any publicity given to the program, publications, or services provided resulting from this grant agreement, including, but not limited to, notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee or its employees individually or jointly with others, or any subgrantees shall identify the State as the sponsoring agency and shall not be released without prior written approval by

the State's Authorized Representative, unless such release is a specific part of an approved work plan included in this grant agreement.

**14.2 Endorsement** The Grantee must not claim that the State endorses its products or services.

## **15. Termination**

**15.1 Termination by the State or Grantee** The State or Grantee may cancel this grant agreement at any time, with or without cause, upon thirty (30) days written notice to the other party.

**15.2 Termination for Cause** If the Grantee fails to comply with the provisions of this grant agreement, the State may terminate this grant agreement without prejudice to the right of the State to recover any money previously paid. The termination shall be effective five business days after the State mails, by certified mail, return receipt requested, written notice of termination to the Grantee at its last known address.

**15.3 Termination for Insufficient Funding** The State may immediately terminate this agreement if it does not obtain funding from the Minnesota legislature or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the work scope covered in this agreement. Termination must be by written or facsimile notice to the Grantee. The State is not obligated to pay for any work performed after notice and effective date of the termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if this agreement is terminated because of the decision of the Minnesota legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State receiving notice of the same.

**16. Governing Law, Jurisdiction, and Venue** This grant agreement, and amendments and supplements to it, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this grant agreement, or for breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

Signatures on following page

|

APPROVED:

**1. State Encumbrance Verification**

*Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.*

By: Sabrina Sutter Digitally signed by Sabrina Sutter  
Date: 2020.05.13 14:49:54 -05'00'

Print name: Sabrina Sutter

Date: 5/13/2020

SWIFT Contract/PO No(s). 176770/3-74829

**2. Grantee**

*Grantee certifies that the appropriate persons(s) have executed the grant agreement on behalf of Grantee as required by applicable articles, bylaws, resolutions, or ordinances.*

By: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**3. Minnesota Department of Health**

*Grant Agreement approval and certification that State funds have been encumbered as required by Minn. Stat. §§16A.15 and 16C.05.*

By: \_\_\_\_\_ (with delegated authority)

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Distribution:**

*Agency – Original (fully executed) Grant Agreement*

*Grantee*

*State Authorized Representative*

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING THE CITY OF RICHFIELD  
TO ENTER INTO A SOURCE WATER PROTECTION PLAN  
IMPLEMENTATION GRANT AGREEMENT WITH THE  
MINNESOTA DEPARTMENT OF HEALTH FOR \$2,930 TO  
BE USED IN THE CONTINUED PUBLIC EDUCATION AND  
ENFORCEMENT OF THE CITY OF RICHFIELD  
WELLHEAD PROTECTION PLAN – PART 2.**

**WHEREAS**, the City of Richfield Public Works Department has applied for and received a Source Water Protection Plan Implementation Grant in the amount of \$2,930; and

**WHEREAS**, The City intends to use these funds to aid in the continued public education and enforcement of the City's Wellhead Protection Plan – Part 2; and

**WHEREAS**, Minnesota statute 465.03 requires every acceptance of a grant or devise of real personal property on terms prescribed by the donor be made by resolution by a two-thirds majority of the City Council.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota as follows:

1. The City Council of the City of Richfield hereby authorizes the Mayor and City Manager to enter into a Source Water Protection Plan Implementation Grant agreement with the Minnesota Department of Health in the amount of \$2,930.
2. Appropriate City personnel are authorized to administer the funds in accordance with the grant agreement and the terms described by the Minnesota Department of Health.

Adopted by the City Council of the City of Richfield, Minnesota this 27th day of October, 2020.

\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

\_\_\_\_\_  
Elizabeth VanHoose, City Clerk



**STAFF REPORT NO. 135**  
**CITY COUNCIL MEETING**  
**10/27/2020**

REPORT PREPARED BY: Chris Regis, Finance Director

DEPARTMENT DIRECTOR REVIEW: Chris Regis, Finance Director  
10/19/2020

OTHER DEPARTMENT REVIEW: N/A.

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
10/20/2020

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution awarding the sale of \$3,255,000 General Obligation Refunding Bonds, Series 2020B.**

**EXECUTIVE SUMMARY:**

In 2012 the City issued the \$2,120,000 G.O. Street Reconstruction Bonds, Series 2012A. The 2012A bonds were issued to fund the 76<sup>th</sup> Street East Reconstruction Project.

In 2013 the City issued the \$2,770,000 G.O. Storm Sewer Bonds Series 2013B. The 2013B bonds were issued to fund costs related to the Richfield Parkway Project.

Interest rates continue to be at low levels, and the City's fiscal consultant, Ehlers & Associates, Inc. periodically reviews the City's outstanding bond issues to determine which issues, if any are feasible for refunding. Upon the latest review of the bond issues, Ehlers & Associates, Inc. recommends undertaking a bond refunding of the Series 2012A and 2013B to take advantage of the low interest rates and realize interest savings. For this refunding the savings is estimated to be \$245,428.

Bids on the 2020B General Obligation Refunding Bonds are due in the offices of Ehlers & Associates, Inc. on Tuesday October 27, 2020. A representative from Ehlers & Associates, Inc. will be present for the City Council meeting to recommend the successful bidder and review attached documents, and provide information that is absent from the resolution and available only after the bidding on the bonds has closed.

Following Ehlers and Associates, Inc. recommendation it would be appropriate for the City Council to award the bond sale to the qualified buyer and undertake other related actions necessary as delineated in the approving resolution. The anticipated closing on the 2020B Bonds is scheduled for November 19, 2020.

**RECOMMENDED ACTION:**

**By Motion: Approval of the attached resolution awarding the sale of General Obligation Refunding Bonds, Series 2020B, in the original aggregate principal amount of \$3,255,000; Fixing their form and specifications; Directing their execution and delivery; and providing for their payment; and providing for the redemption of bonds refunded thereby.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

With regard to the Series 2013B bonds, the City entered into a Memorandum of Understanding (MOU) with the Minnehaha Creek Watershed District (MCWD) regarding the construction of a regional storm water treatment facility, including treatment for Legion Lake and Taft Lake, the Legion/Taft Lake Improvement Project. The Series 2013B bonds were issued to fund this project.

In addition, the City and MCWD entered into a Cooperative Agreement regarding each of their roles of the project. This agreement was approved by the City Council on October 9, 2012. Included within the agreement the City would issue general obligation storm water revenue bonds to finance the project. Accordingly, the agreement would require the MCWD to pay storm water charges sufficient to pay principal and interest on the bonds.

Portions of the project were constructed on the property of the Metropolitan Airports Commission (MAC). The City and the MAC have an existing Park and Recreation Facilities Lease Agreement covering the property that portions of the project were constructed on. If the MAC should cancel this agreement, and the project ceases its ability to perform due to the loss of the land rights from the MAC, obligation of the MCWD to make storm water utility payments to the City will cease and the City will take over any remaining bond payments for the remaining life of the bond.

With the refunding of the Series 2013B bonds, the cooperative agreement will need to be amended to reflect the new payment amounts.

The amendment to the Cooperative Agreement will go before the MCWD board for approval at their October 22, 2020 meeting.

The call for sale of the bonds was approved by the City Council at the September 22, 2020 City Council meeting.

**B. POLICIES (resolutions, ordinances, regulations, statutes, etc):**

None.

**C. CRITICAL TIMING ISSUES:**

The sale of the refunding bonds at this time will allow the City to take advantage of the low interest rates and realize interest savings.

**D. FINANCIAL IMPACT:**

On the basis of Ehlers & Associates, Inc. review, it appears that the current interest rate climate makes it feasible to refund the two bond issues.

The type of refunding being presented is a current refunding. In a current refunding transaction, the bonds being refunded will either all mature or be redeemed within 90 days or less from the date of issuance of the refunding issue. The City would then begin to make payments on the newly issued "refunding bonds."

The current outstanding principal balance of the 2012A and 2013B bonds is \$1,385,000 and \$1,775,000 respectively. The City will continue to make the principal and interest payments up to and on the refunding date.

The \$3,255,000 G.O. Refunding Bonds, Series 2020B are being issued to provide funds for a current refunding on February 1, 2021, on all of the City's callable G.O. Street Reconstruction Bonds, Series 2012A and callable G.O. Storm Sewer Bonds, Series 2013B.

It is estimated that this refinancing under current rates would reduce the combined interest costs of paying these two debt issues by approximately \$245,428.

This savings expressed in present value terms is estimated to be 7.373% of the refunded principal or \$233,001.

The bonds are being issued for a 12-year period; this does not extend the term of the original issue. The maturity date of the new refunding issue will be the same as the two current outstanding issues.

**E. LEGAL CONSIDERATION:**



Legal Counsel has reviewed the Pre-Sale report and the attached resolution.

**ALTERNATIVE RECOMMENDATION(S):**

None.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

Rebecca Kurtz, Ehlers & Associates, Inc.

**ATTACHMENTS:**

Description	Type
□ 2020B Bonds Sale	Resolution Letter

Extract of Minutes of Meeting  
of the City Council of the City of  
Richfield, Hennepin County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Richfield, Minnesota, was duly held by teleconference or other electronic means on Tuesday, October 27, 2020, commencing at 7:00 P.M. The teleconference was held in accordance with Minnesota Statutes, Section 13D.021, and pursuant to a resolution adopted by the City Council on March 18, 2020.

The following members were present:

and the following were absent:

\* \* \*

\* \* \*

\* \* \*

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's General Obligation Refunding Bonds, Series 2020B, to be issued in the original aggregate principal amount of \$3,110,000.

The City Manager presented a tabulation of the proposals that had been received in the manner specified in the Terms of Proposal for the Bonds. The proposals were as set forth in EXHIBIT A attached.

After due consideration of the proposals, Member \_\_\_\_\_ then introduced the following written resolution, the reading of which was dispensed with by unanimous consent, and moved its adoption:

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AWARDED THE SALE OF GENERAL  
OBLIGATION REFUNDING BONDS, SERIES 2020B, IN THE  
ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,110,000;  
FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING  
THEIR EXECUTION AND DELIVERY; PROVIDING FOR  
THEIR PAYMENT; AND PROVIDING FOR THE REDEMPTION  
OF BONDS REFUNDED THEREBY**

BE IT RESOLVED By the City Council (the “City Council”) of the City of Richfield, Hennepin County, Minnesota (the “City”) as follows:

Section 1.      Sale of Bonds.

1.01.   Authority.

(a) Pursuant to Minnesota Statutes, Chapter 475, as amended including Section 475.58, subdivision 3b (the “Street Reconstruction Act”), the City issued its General Obligation Street Reconstruction Bonds, Series 2012A (the “Refunded Street Reconstruction Bonds”), dated September 6, 2012, in the original aggregate principal amount of \$2,120,000, currently outstanding in the principal amount of \$1,485,000, of which \$1,385,000 in principal amount is subject to redemption on or after February 1, 2021. The proceeds of the Refunded Street Reconstruction Bonds financed the costs of street reconstruction projects authorized under the City’s five-year street reconstruction plan adopted by the City Council on August 9, 2011 (the “Street Reconstruction”).

(b) Pursuant to Minnesota Statutes, Chapters 444 and 475, as amended (the “Utility Revenue Act”), the City issued its General Obligation Stormwater Revenue Bonds, Series 2013B (the “Refunded Stormwater Revenue Bonds”), dated March 21, 2013, in the original aggregate principal amount of \$2,770,000, currently outstanding in the principal amount of \$1,905,000, of which \$1,775,000 in principal amount is subject to redemption on or after February 1, 2021. The proceeds of the Refunded Stormwater Revenue Bonds were used to finance a regional stormwater treatment facility to treat the entire Taft Lake watershed (the “Stormwater System Improvements”). The City and the Minnehaha Creek Watershed District (the “District”) entered into a Cooperative Agreement, dated February 5, 2013, as amended by the First Amendment to Cooperative Agreement, dated April 11, 2014 (as amended, the “Original Cooperative Agreement”), pursuant to which the District pledged stormwater utility charges to the payment of the Refunded Stormwater Revenue Bonds.

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

(d) It is necessary and desirable for the reduction of debt service costs to the City that the City issue its General Obligation Refunding Bonds, Series 2020B (the “Bonds”), in the original aggregate principal amount of \$3,110,000, pursuant to the Street Reconstruction Act and the Utility Revenue Act (together, the “Act”), specifically Section 475.67, subdivision 3, to (i) redeem and prepay the outstanding principal amount of the Refunded Street Reconstruction Bonds on February 1, 2021 (the “Redemption Date”), thereby refinancing the Street Reconstruction; and (ii) redeem and prepay the outstanding principal amount of the Refunded Stormwater Revenue Bonds on the Redemption Date, thereby refinancing the Stormwater System Improvements.

(e) The City is authorized by Section 475.60, subdivision 2(9) of the Act to negotiate the sale of the Bonds, it being determined that the City has retained an independent municipal advisor in connection with such sale. The actions of the City staff and municipal advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

1.02. Award to the Purchaser and Interest Rates. The proposal of Northland Securities, Inc., Minneapolis, Minnesota (the “Purchaser”), to purchase the Bonds is hereby determined to be a reasonable offer and is accepted, the proposal being to purchase the Bonds at a price of \$3,213,368.97 (par amount of \$3,110,000.00, plus original issue premium of \$125,038.70, less underwriter’s discount of \$21,669.73), plus accrued interest, if any, to date of delivery, for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2022	2.000%	2028	2.000%
2023	2.000	2029	2.000
2024	2.000	2030	1.100
2025	2.000	2031	1.200
2026	2.000	2032	1.300
2027	2.000	2033	1.400

True interest cost: 1.0941841%

1.03. Purchase Contract. The sum of \$140,688.97, being the amount proposed by the Purchaser in excess of \$3,072,680.00, shall be credited to the accounts in the Debt Service Fund hereinafter created or deposited in the Redemption Fund hereinafter created, as determined by the Finance Director of the City in consultation with the City’s municipal advisor. The Finance Director is directed to retain the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers. The Mayor and City Manager are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to the Act, specifically Section 475.67, subdivision 3, in the total principal amount of \$3,110,000, originally dated November 19, 2020, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and which mature serially on February 1 in the years and amounts as follows:

Year	Amount	Year	Amount
2022	\$220,000	2028	\$265,000
2023	240,000	2029	270,000
2024	240,000	2030	270,000
2025	250,000	2031	275,000
2026	250,000	2032	285,000
2027	260,000	2033	285,000

(a) \$1,370,000 in principal amount of the Bonds (the “Street Reconstruction Refunding Bonds”), maturing on February 1 in the years and in the amounts set forth below, will be used to refund the Refunded Street Reconstruction Bonds and thereby refinance the Street Reconstruction:

Year	Amount	Year	Amount
2022	\$100,000	2028	\$115,000
2023	105,000	2029	120,000
2024	105,000	2030	120,000
2025	110,000	2031	120,000
2026	110,000	2032	125,000
2027	115,000	2033	125,000

(b) The remainder of the Bonds in the principal amount of \$1,740,000 (the “Stormwater Revenue Refunding Bonds”), maturing on February 1 in the years and in the amounts set forth below, are being issued to refund the Refunded Stormwater Revenue Bonds and thereby refinance the Stormwater System Improvements:

Year	Amount	Year	Amount
2022	\$120,000	2028	\$150,000
2023	135,000	2029	150,000
2024	135,000	2030	150,000
2025	140,000	2031	155,000
2026	140,000	2032	160,000
2027	145,000	2033	160,000

1.05. Optional Redemption. The City may elect on February 1, 2029, and on any day thereafter to prepay Bonds due on or after February 1, 2030. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 8 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

## Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2021, to the registered owners of record as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City will appoint, and will maintain, a bond registrar, transfer agent, authenticating agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner’s attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a

registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints Bond Trust Services Corporation, Roseville, Minnesota, as the initial Registrar. The Mayor and the City Manager are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the Finance Director must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the Finance Director and executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Bond has

been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so prepared, executed and authenticated, the City Manager will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3.      Form of Bond.

3.01.   Execution of Bonds. The Bonds will be printed or typewritten in substantially the form attached hereto as EXHIBIT B.

3.02.   Approving Legal Opinion. The City Manager is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, and cause the opinion to be printed on or accompany each Bond.

Section 4.      Payment; Security; Pledges and Covenants.

4.01.   Debt Service Fund. The Bonds will be payable from the General Obligation Refunding Bonds, Series 2020B Debt Service Fund (the “Debt Service Fund”) hereby created. The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Debt Service Fund: the “Street Reconstruction Account” and the “Stormwater Revenue Account.” Amounts in the Street Reconstruction Account are irrevocably pledged to the Street Reconstruction Refunding Bonds, and amounts in the Stormwater Revenue Account are irrevocably pledged to the Stormwater Revenue Refunding Bonds.

(a)      Street Reconstruction Account. Proceeds of the ad valorem taxes hereinafter levied (the “Taxes”) for the payment of the Street Reconstruction Refunding Bonds are hereby pledged to the Street Reconstruction Account of the Debt Service Fund, and such amounts shall be used to pay the principal of and interest on the Street Reconstruction Refunding Bonds. There is also appropriated to the Street Reconstruction Account a pro rata portion of amounts over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

(b)      Stormwater Revenue Account. The City will continue to maintain and operate its Stormwater Fund to which will be credited all gross revenues of the stormwater system and out of which will be paid all normal and reasonable expenses of current operations of such system. Any balance therein is deemed net revenues (the “Net Revenues”) and will be transferred from time to time to the Stormwater Revenue Account of the Debt Service Fund, which Stormwater Revenue Account shall be used to pay the principal of and interest on the Stormwater Revenue Refunding Bonds and any other bonds similarly authorized. Pursuant to Section 444.075, subdivision 3 of the Utility Revenue Act, the Net Revenues shall include payments made by the District pursuant to the Original Cooperative Agreement, as amended by the Second Amendment to Cooperative Agreement (hereinafter defined). There will always be retained in the Stormwater Revenue Account a sufficient amount to pay principal of and interest on the Stormwater Revenue Refunding Bonds, and the Finance Director must report any current or anticipated deficiency in the Stormwater Revenue Account to the City Council. There is appropriated to the Stormwater Revenue Account a



pro rata portion of amounts over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Redemption Fund. All proceeds of the Bonds, less the appropriations made in Section 4.01 hereof and the costs of issuance of the Bonds, will be deposited in a separate fund (the "Redemption Fund") to be used solely to redeem and prepay the Refunded Street Reconstruction Bonds and the Refunded Stormwater Revenue Bonds (together, the "Refunded Bonds") on the Redemption Date. Any balance remaining in the Redemption Fund after the redemption of the Refunded Bonds on the Redemption Date shall be deposited in the accounts within the Debt Service Fund herein created.

4.03. Prior Debt Service Funds.

(a) The debt service fund heretofore established for the Refunded Street Reconstruction Bonds pursuant to the resolution providing for the issuance and sale of the Refunded Street Reconstruction Bonds (the "Refunded Street Reconstruction Bonds Resolution") shall be closed following the redemption of the Refunded Street Reconstruction Bonds, and all monies therein shall be transferred to the Street Reconstruction Account of the Debt Service Fund herein created.

(b) The debt service fund heretofore established for the Refunded Stormwater Revenue Bonds pursuant to the resolution providing for the issuance and sale of the Refunded Stormwater Revenue Bonds (the "Refunded Stormwater Revenue Bonds Resolution") shall be closed following the redemption of the Refunded Stormwater Revenue Bonds, and all monies therein shall be transferred to the Stormwater Revenue Account of the Debt Service Fund herein created.

4.04. Prior Resolution Pledges. The pledges and covenants of the City made by the Refunded Stormwater Revenue Bonds Resolution relating to the ownership, protection of, and other particulars governing the operation and financial management of the stormwater system of the City and the Stormwater System Improvements are restated and confirmed in all respects. The provisions of the Refunded Stormwater Revenue Bonds Resolution are hereby supplemented to the extent necessary to give full effect to the provisions hereof.

4.05. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.06. Pledge of Tax Levy. For the purpose of paying the principal of and interest on the Street Reconstruction Refunding Bonds, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such Taxes will be credited to the Street Reconstruction Account of the Debt Service Fund above provided and will be in the years and amounts attached hereto as EXHIBIT C.

4.07. Certification to Taxpayer Services Division Manager as to Debt Service Fund Amount. It is hereby determined that the estimated collection of the foregoing Net Revenues and Taxes will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and

interest payments on the Bonds. The tax levy herein provided will be irrevocable until all of the Bonds are paid, provided that at the time the City makes its annual tax levies the Finance Director may certify to the Taxpayer Services Division Manager of Hennepin County, Minnesota (the "Taxpayer Services Division Manager") the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the Taxpayer Services Division Manager will thereupon reduce the levy collectible during such year by the amount so certified.

4.08. Cancellation of Levy for Refunded Street Reconstruction Bonds. Following the payment in full of all outstanding principal of and interest due on the Refunded Street Reconstruction Bonds on the Redemption Date, the Finance Director is hereby directed to certify such fact to and request the Taxpayer Services Division Manager to cancel any and all tax levies made by the Refunded Street Reconstruction Bonds Resolution.

4.09. Certification of Taxpayer Services Division Manager as to Registration. The City Manager is directed to file a certified copy of this resolution with the Taxpayer Services Division Manager and to obtain the certificate required by Section 475.63 of the Act.

#### Section 5. Refunding of Refunded Bonds; Findings; Redemption of Refunded Bonds.

5.01. Purpose of Refunding. On the Redemption Date, the Refunded Street Reconstruction Bonds will be called for redemption in the principal amount of \$1,385,000, and the Refunded Stormwater Revenue Bonds will be called for redemption in the principal amount of \$1,775,000. It is hereby found and determined that based upon information presently available from the City's municipal advisor, the issuance of the Bonds, a portion of which will be used to redeem and prepay the Refunded Bonds, is consistent with covenants made with the holders of the Refunded Bonds and is necessary and desirable for the reduction of debt service costs to the City.

5.02. Application of Proceeds of Bonds. It is hereby found and determined that the proceeds of the Bonds deposited in the Redemption Fund, along with any other funds on hand in the debt service funds established for the Refunded Bonds, will be sufficient to prepay all of the principal of, interest on and redemption premium (if any) on the Refunded Bonds.

5.03. Redemption; Date of Redemption; Notices of Call for Redemption. The Refunded Bonds maturing after the Redemption Date will be redeemed and prepaid on the Redemption Date. The Refunded Bonds will be redeemed and prepaid in accordance with their terms and in accordance with the terms and conditions set forth in the forms of Notice of Call for Redemption attached hereto as EXHIBITS D-1 and D-2, which terms and conditions are hereby approved and incorporated herein by reference. The registrars for the Refunded Bonds are authorized and directed to send a copy of the respective Notice of Call for Redemption to each registered holder of the Refunded Bonds at least thirty (30) days prior to the Redemption Date.

#### Section 6. Authentication of Transcript.

6.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

6.02. Amended Cooperative Agreement. The Mayor and the City Manager are hereby authorized and directed to execute on behalf of the City a Second Amendment to Cooperative Agreement (the “Second Amendment to Cooperative Agreement”) with the District in substantially the form on file with the City.

6.03. Certification as to Official Statement. The Mayor, the City Manager, and the Finance Director are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the offering materials are a complete and accurate representation of the facts and representations made therein as of the date of the offering materials.

6.04. Other Certificates. The Mayor, the City Manager, and the Finance Director are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, the City Manager, and the Finance Director shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

6.05. Electronic Signatures. The electronic signature of the Mayor, the City Manager, the City Clerk, and/or the Finance Director to this resolution, the Second Amendment to Cooperative Agreement, and any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

6.06. Payment of Costs of Issuance. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Old National Bank, Chaska, Minnesota, on the closing date for further distribution as directed by the City’s municipal advisor, Ehlers and Associates, Inc.

## Section 7. Tax Covenant.

7.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

7.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.

7.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be “private activity bonds” within the meaning of Sections 103 and 141 through 150 of the Code.

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

- (a) the Bonds are not “private activity bonds” as defined in Section 141 of the Code;
- (b) the City designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;
- (c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2020 will not exceed \$10,000,000; and
- (d) not more than \$10,000,000 of obligations issued by the City during calendar year 2020 have been designated for purposes of Section 265(b)(3) of the Code.

7.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 8. Book-Entry System; Limited Obligation of City.

8.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

8.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest

on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Manager of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." will refer to such new nominee of DTC; and upon receipt of such a notice, the City Manager will promptly deliver a copy of the same to the Registrar and Paying Agent.

8.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

8.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

8.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements as set forth in the Representation Letter.

## Section 9. Continuing Disclosure.

9.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Manager and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

9.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

Section 10. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full

payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

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The motion for the adoption of the foregoing resolution was duly seconded by Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Passed and adopted this 27<sup>th</sup> day of October, 2020.

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Mayor

Attest:

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City Clerk



# EXHIBIT A

## PROPOSALS



### BID TABULATION

**\$3,255,000\* General Obligation Refunding Bonds, Series 2020B**

**City of Richfield, Minnesota**

**SALE:** October 27, 2020

**AWARD:** NORTHLAND SECURITIES, INC.

**Rating:** S&P Global Ratings "AA+"

Tax Exempt - Bank Qualified

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota	2022	2.000%	0.200%	\$3,364,187.45	\$245,108.55	1.0861%
DA Davidson	2023	2.000%	0.250%			
United Bankers Bank	2024	2.000%	0.300%			
	2025	2.000%	0.400%			
	2026	2.000%	0.550%			
	2027	2.000%	0.700%			
	2028	2.000%	0.850%			
	2029	2.000%	1.000%			
	2030	1.100%	1.100%			
	2031	1.200%	1.200%			
	2032	1.300%	1.300%			
	2033	1.400%	1.400%			
BAIRD Milwaukee, Wisconsin				\$3,437,962.15	\$278,371.35	1.2219%
BOK FINANCIAL SECURITIES, INC. Milwaukee, Wisconsin				\$3,394,625.30	\$303,494.70	1.3310%

\* Subsequent to bid opening the issue size was decreased to \$3,110,000.

Adjusted Price - \$3,213,368.97

Adjusted Net Interest Cost - \$240,669.03

Adjusted TIC - 1.0941%

**EXHIBIT B**  
**FORM OF BOND**

No. R-\_\_\_\_ UNITED STATES OF AMERICA \$\_\_\_\_\_  
STATE OF MINNESOTA  
COUNTY OF HENNEPIN  
CITY OF RICHFIELD

GENERAL OBLIGATION REFUNDING BOND  
SERIES 2020B

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	November 19, 2020	

Registered Owner: Cede & Co.

The City of Richfield, Minnesota, a duly organized and existing municipal corporation in Hennepin County, Minnesota (the "City"), acknowledges itself to be indebted and for value received promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$\_\_\_\_\_ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of twelve 30 day months), payable February 1 and August 1 in each year, commencing August 1, 2021, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Bond Trust Services Corporation, Roseville, Minnesota, as Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2029, and on any day thereafter to prepay Bonds due on or after February 1, 2030. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$3,110,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the City Council on October 27, 2020 (the "Resolution"), for the purpose of providing money to refund the outstanding principal amount of certain general obligation bonds of the City, pursuant to and in full conformity with the home rule charter of the City and the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapters 444 and 475, as

amended, including Section 475.58, subdivision 3b and Section 475.67, subdivision 3. The principal hereof and interest hereon are payable in part from net revenues from the stormwater system of the City and in part from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in net revenues and taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

The City Council has designated the issue of Bonds of which this Bond forms a part as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) relating to disallowance of interest expense for financial institutions.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the home rule charter of the City and the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, charter, or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Richfield, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Manager and has caused this Bond to be dated as of the date set forth below.

Dated: November 19, 2020

**CITY OF RICHFIELD, MINNESOTA**

\_\_\_\_\_  
(Facsimile)  
Mayor

\_\_\_\_\_  
(Facsimile)  
City Manager

**CERTIFICATE OF AUTHENTICATION**

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

**BOND TRUST SERVICES CORPORATION**

By \_\_\_\_\_  
Authorized Representative

**ABBREVIATIONS**

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

TEN COM -- as tenants in common

UNIF GIFT MIN ACT

\_\_\_\_\_  
Custodian \_\_\_\_\_

(Cust) \_\_\_\_\_ (Minor)

TEN ENT -- as tenants by entireties

under Uniform Gifts or Transfers to Minors  
Act, State of \_\_\_\_\_

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

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

\_\_\_\_\_

## ASSIGNMENT

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

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

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

Signature Guaranteed:

\_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

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

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

\_\_\_\_\_  
(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

\_\_\_\_\_

\_\_\_\_\_

**PROVISIONS AS TO REGISTRATION**

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Officer of Registrar</u>
<hr/>	Cede & Co. Federal ID #13-2555119	<hr/>

## EXHIBIT C

### TAX LEVY SCHEDULE FOR STREET RECONSTRUCTION BONDS

City of Richfield, MN	<b>Dated Date:</b>	<b>11/19/2020</b>
\$3,110,000 General Obligation Refunding Bonds, Series 2020B	<b>Call Date:</b>	<b>2/1/2029</b>

**\$1,370,000 Series 2012A Refunding Portion**

Tax Levy Year		Tax Collect Year		Bond Pay Year	Total P & I	Funds Available (1)	P & I @ 105%	Net Levy
2019	/	2020	/	2021	16,614.50	(3,786.97)	13,468.91	13,468.91
2020	/	2021	/	2022	122,735.00		128,871.75	128,871.75
2021	/	2022	/	2023	125,685.00		131,969.25	131,969.25
2022	/	2023	/	2024	123,585.00		129,764.25	129,764.25
2023	/	2024	/	2025	126,435.00		132,756.75	132,756.75
2024	/	2025	/	2026	124,235.00		130,446.75	130,446.75
2025	/	2026	/	2027	126,985.00		133,334.25	133,334.25
2026	/	2027	/	2028	124,685.00		130,919.25	130,919.25
2027	/	2028	/	2029	127,335.00		133,701.75	133,701.75
2028	/	2029	/	2030	125,475.00		131,748.75	131,748.75
2029	/	2030	/	2031	124,095.00		130,299.75	130,299.75
2030	/	2031	/	2032	127,562.50		133,940.63	133,940.63
2031	/	2032	/	2033	125,875.00		132,168.75	132,168.75
<b>Totals</b>					<b>1,521,302.00</b>	<b>(3,786.97)</b>	<b>1,593,390.78</b>	<b>1,593,390.78</b>

(1) The following funds are available to pay a portion of the interest payment due August 1, 2021:

Deposit to Debt Service Fund (Rounding): 3,786.97

Notes: Original tax levies for collection years 2021 through 2032 on the Series 2012A Bonds will be cancelled.

## EXHIBIT D-1

### NOTICE OF CALL FOR REDEMPTION FOR THE REFUNDED STREET RECONSTRUCTION BONDS

\$2,120,000  
CITY OF RICHFIELD, MINNESOTA  
GENERAL OBLIGATION STREET RECONSTRUCTION BONDS  
SERIES 2012A

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Richfield, Minnesota (the "City"), there have been called for redemption and prepayment on

February 1, 2021

all outstanding bonds of the City designated as General Obligation Street Reconstruction Bonds, Series 2012A, dated September 6, 2012, having stated maturity dates of February 1 in the years 2023 through 2033, both inclusive, totaling \$1,385,000 in principal amount, and with the following CUSIP numbers:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP Number</u>
2023	\$205,000	763325 5S2
2025	215,000	763325 5U7
2027	225,000	763325 5W3
2029	235,000	763325 5Y9
2031	245,000	763325 6A0
2033	260,000	763325 6C6

The bonds are being called at a price of par plus accrued interest to February 1, 2021, on which date all interest on said bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at the main office of Bond Trust Services Corporation, 3060 Centre Pointe Drive, Roseville, Minnesota 55113, on or before February 1, 2021.

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the City is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any Bonds subject to redemption and prepayment on the Redemption Date, unless the City is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9, will satisfy the requirements of this paragraph.

Dated: \_\_\_\_\_, 2020.

BY ORDER OF THE CITY COUNCIL OF THE  
CITY OF RICHFIELD, MINNESOTA

By /s/ Katie Rodriguez  
City Manager  
City of Richfield, Minnesota



## EXHIBIT D-2

### NOTICE OF CALL FOR REDEMPTION FOR THE REFUNDED STORMWATER REVENUE BONDS

\$2,770,000  
CITY OF RICHFIELD, MINNESOTA  
GENERAL OBLIGATION STORMWATER REVENUE BONDS  
SERIES 2013B

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Richfield, Minnesota (the "City"), there have been called for redemption and prepayment on

February 1, 2021

all outstanding bonds of the City designated as General Obligation Stormwater Revenue Fund Bonds, Series 2013B, dated March 21, 2013, having stated maturity dates of February 1 in the years 2022 through 2033, both inclusive, totaling \$1,775,000 in principal amount, and with the following CUSIP numbers:

Year of Maturity	Amount	CUSIP Number
2022	\$130,000	763325 7W1
2023	135,000	763325 7X9
2025	275,000	763325 7Z4
2027	285,000	763325 8B6
2029	300,000	763325 8D2
2031	315,000	763325 8F7
2033	335,000	763325 8H3

The bonds are being called at a price of par plus accrued interest to February 1, 2021, on which date all interest on said bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment at the main office of Bond Trust Services Corporation, 3060 Centre Pointe Drive, Roseville, Minnesota 55113, on or before February 1, 2021.

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the City is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any Bonds subject to redemption and prepayment on the Redemption Date, unless the City is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9, will satisfy the requirements of this paragraph.

Dated: \_\_\_\_\_, 2020.

BY ORDER OF THE CITY COUNCIL OF THE  
CITY OF RICHFIELD, MINNESOTA

By /s/ Katie Rodriguez  
City Manager  
City of Richfield, Minnesota

STATE OF MINNESOTA     )  
  )  
COUNTY OF HENNEPIN     ) SS.  
  )  
CITY OF RICHFIELD         )

I, being the duly qualified and acting City Clerk of the City of Richfield, Hennepin County, Minnesota (the “City”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on October 27, 2020 with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City’s General Obligation Refunding Bonds, Series 2020B, in the original aggregate principal amount of \$3,110,000.

WITNESS My hand officially as such City Clerk and the corporate seal of the City this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

(SEAL)

\_\_\_\_\_  
City Clerk  
City of Richfield, Minnesota



**STAFF REPORT NO. 136**  
**CITY COUNCIL MEETING**  
**10/27/2020**

REPORT PREPARED BY: Chris Regis, Finance Director

DEPARTMENT DIRECTOR REVIEW: Chris Regis, Finance Director  
10/19/2020

OTHER DEPARTMENT REVIEW: Kristin Asher, Public Works Director

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
10/20/2020

**ITEM FOR COUNCIL CONSIDERATION:**

**Approval of the Second Amendment to the Cooperative Agreement between the City of Richfield and the Minnehaha Creek Watershed District with regards to the Legion/Taft Lake Improvement Project.**

**EXECUTIVE SUMMARY:**

At the October 9, 2012 City Council meeting, the City Council approved the Cooperative Agreement between the City of Richfield (City) and the Minnehaha Creek Watershed District (MCWD).

At the February 26, 2013 City Council meeting, the Council approved the sale of the \$2,770,000 General Obligation Storm Water Revenue Bonds, Series 2013B. The bonds were sold as part of the Cooperative Agreement to fund the Legion/Taft Lake Improvement Project.

As part of the Cooperative Agreement, MCWD made payments to the City to cover the annual debt service costs of the Series 2013B bonds.

At the September 22, 2020 and October 27, 2020 City Council meeting, staff brought before the City Council the proposal to refund the Series 2013B bonds with the \$3,255,000 General Obligation Refunding Bonds, Series 2020B.

Due to the refunding of the original Series 2013B bonds, the Cooperative Agreement will need to be amended to reflect the new debt service schedule.

**RECOMMENDED ACTION:**

**By Motion: Approve the Execution of a Second Amendment to the Cooperative Agreement between the City of Richfield and the Minnehaha Creek Watershed District with respect to the Legion/Taft Lake Improvement Project.**

**BASIS OF RECOMMENDATION:**

A. **HISTORICAL CONTEXT**

The MCWD has reviewed the amended Cooperative Agreement.

B. **POLICIES (resolutions, ordinances, regulations, statutes, etc):**

N/A.

**C. CRITICAL TIMING ISSUES:**

The second amendment to the Cooperative Agreement will go before the MCWD board at its October 22, 2020 meeting.

**D. FINANCIAL IMPACT:**

The savings with the refunding of the Series 2013B bonds is estimated to be \$137,638 over the remaining term of the bonds.

**E. LEGAL CONSIDERATION:**

The City Attorney has reviewed and updated the amendment to the Cooperative Agreement.

**ALTERNATIVE RECOMMENDATION(S):**

None.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

None.

**ATTACHMENTS:**

Description	Type
▣ Second Amendment Cooperative Agreement	Contract/Agreement
▣ Copy of October 9, 2012 City Council Staff Report	Exhibit
▣ Original Cooperative Agreement City and MCWD	Backup Material
▣ First Amendment to the Cooperative Agreement	Backup Material

**SECOND AMENDMENT TO COOPERATIVE AGREEMENT**  
**City of Richfield and Minnehaha Creek Watershed District**

**TAFT-LEGION LAKE VOLUME AND LOAN REDUCTION PROJECT**

This Second Amendment to Cooperative Agreement, dated November 19, 2020 (the “Second Amendment to Agreement”), is made by and between the Minnehaha Creek Watershed District, a watershed district with purposes and powers as set forth in Minnesota Statutes, Chapters 103B and 103D (the “MCWD”), and the City of Richfield, Minnesota, a city and political subdivision organized under its Charter and the laws of the State of Minnesota (the “City”).

**RECITALS**

A. The MCWD and the City entered into a Cooperative Agreement, dated February 5, 2013, as amended by a First Amendment to Cooperative Agreement, dated April 11, 2014 (the “Original Agreement”), pursuant to which the City agreed to construct, operate, and maintain a multiphased water quality improvement project for Legion and Taft Lakes in the City, identified as the Taft-Legion Lake Regional Volume and Load Reduction Project.

B. Under the terms of the Original Agreement, the MCWD, as a user of the City’s storm water utility, agreed to make payments to the City in amounts sufficient to pay the principal of and interest on the City’s General Obligation Stormwater Revenue Bonds, Series 2013B (the “MCWD Project Bonds”), issued on March 21, 2013, in the original aggregate principal amount of \$2,770,000.

C. Pursuant to a resolution adopted by the City Council of the City on October 27, 2020, the City is issuing its General Obligation Refunding Bonds, Series 2020B (the “Series 2020B Bonds”), in the original aggregate principal amount of [\$3,255,000], and will use [\$1,825,000] of the proceeds of the Series 2020B Bonds (the “MCWD Project Refunding Bonds”) to refund the outstanding MCWD Project Bonds on February 1, 2021.

D. The City and the MCWD are entering into this Second Amendment Agreement to provide for the MCWD’s pledge to make payments to the City in an amount sufficient to pay the principal of and interest on the MCWD Project Refunding Bonds, in accordance with Section 2.07 of the Original Agreement.

THEREFORE the City and the MCWD agree as follows:

A. Section 2.02 is revised to read as follows:

2.02. MCWD Payments – MCWD Project Refunding Bonds. As a user of the City’s storm water utility, the MCWD agrees to make payments to the City in the amounts set forth in Attachment A. Such payments shall be made three business days prior to each February 1 and August 1 during the term of the MCWD Project Refunding Bonds issued by the City. The storm water utility charges to be paid by MCWD are to provide the City with sufficient funds to pay the principal of and interest on the MCWD Project Refunding Bonds issued by the City. The storm water utility charges payable by the MCWD are as follows:

Principal of MCWD Project Refunding Bonds:	not to exceed \$ _____
Bond Issuance Costs:	_____
Interest:	_____

“Bond issuance costs” includes underwriter compensation, reasonable legal and professional fees, the rating agency fee, the cost to print the official statement and limited and standard miscellaneous costs such as copy costs and underwriting regulatory fees.

B. The Original Agreement, as amended by this Second Amendment to Agreement, shall be deemed to be the “Agreement.”

C. Attachment A to this Second Amendment to Agreement, attached hereto and incorporated herein, replaces Attachment A to the Original Agreement and henceforth constitutes Attachment A of the Agreement.

D. Except as explicitly amended hereby, the Original Agreement and all terms therein remain in full force and effect.

(The remainder of this page is intentionally left blank.)

IN TESTIMONY WHEREOF, the City and the MCWD have executed this Second Amendment to Cooperative Agreement by their authorized officers as of the date and year first written above.

**CITY OF RICHFIELD, MINNESOTA**

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Manager



Execution page of the MCWD to the Second Amendment to Cooperative Agreement, dated as of the date and year first written above.

**MINNEHAHA CREEK WATERSHED  
DISTRICT**

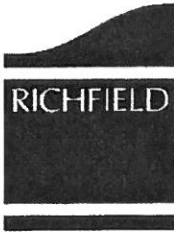
By \_\_\_\_\_  
Its President

Approved for form and execution:

\_\_\_\_\_  
MCWD Counsel

**ATTACHMENT A**  
**REVISED MCWD PAYMENT SCHEDULE**

[Insert schedule based on debt service schedule from Ehlers]



**STAFF REPORT**  
**CITY COUNCIL MEETING**  
**OCTOBER 9, 2012**

REPORT PREPARED BY:

KRISTIN ASHER, CITY ENGINEER

NAME, TITLE

DEPARTMENT DIRECTOR  
REVIEW:



REVIEWED BY CITY  
MANAGER:



SIGNATURE

**ITEM FOR COUNCIL CONSIDERATION:**

Consideration of a Cooperative Agreement between the City and the Minnehaha Creek Watershed District for the purposes of advancing the Legion / Taft Lake Improvement Project.

**I. RECOMMENDED ACTION:**

**By Motion: Approve the Cooperative Agreement between the City of Richfield and Minnehaha Creek Watershed District for the Legion / Taft Lakes Project.**

**II. BACKGROUND**

The Legion / Taft Lakes Improvement Project is a cooperative effort with the Minnehaha Creek Watershed District (MCWD) and has been in the development stages for many years. The MCWD Board of Managers recently completed a lengthy process to amend their 2007 Comprehensive Water Resources Management Plan to include the project and both the City and District staffs have worked to finalize a cooperative agreement allowing the project to move forward.

**Cooperative Agreement**

Consistent with the information discussed at the September 11, 2012 City Council Worksession (see attached PowerPoint), the terms of the proposed agreement include:

- Design and Construction – The City will oversee the design, plan preparation, contract award, and construction of the project elements. MCWD will work cooperatively with the City through all phases and will

approve the low bid prior to the City awarding the contract. Project elements include:

- Water Reuse Irrigation and Infiltration Systems
  - Native Vegetative Buffers
  - Grit Chambers
  - Flocculation Treatment
  - Reduced Impervious Surface
- City Obtains Rights-of-way – The City will obtain all rights-of-way, easements, and permits necessary to complete the project. This includes the use of Taft Park via Park & Recreation Facilities Lease Agreement with the Metropolitan Airports Commission.
  - City to Issue Bonds – City will finance the design and construction of the project by issuing General Obligation Storm Water Revenue Bonds.
  - MCWD Payments – The MCWD will make payments to the City to cover the bond issuance fees, interest, and annual debt service on the bonds.
  - Warranty of Land Rights – During the period in which the MCWD is obligated to make bond payments (est. 20 years), if the project ceases it's ability to perform due to loss of land rights from the Metropolitan Airports Commission or other regulatory approvals, then the City will take over any remaining bond payments for the life of the bond.
  - Operation and Maintenance – The City will responsibly operate and maintain the project elements
  - Public Communication and Education – both the City and MCWD will cooperate in an effective public communications and education program.
  - Regulatory Credit – The project provides an acceptable facility to handle phosphorus, volume and rate control for future redevelopment and reconstruction projects within the contributing drainage area.

#### **Metropolitan Airports Commission (MAC) Letter of Understanding**

Portions of the Legion / Taft Lakes Project will be constructed on the property of the MAC. These elements include the active treatment in and around Taft Lake and will be constructed under the existing Park and Recreation Facilities Lease Agreement dated June 14, 1971, as amended February 14, 2002. The attached Letter of Understanding (LOU) from the MAC was desired by the MAC to confirm conversations and commitments between staffs regarding the proposed project (see attached). Consistent with the original agreement, the LOU restates the MAC's right to cancel the Agreement in its entirety, without compensation to the City. If this happens, via the MCWD Cooperative Agreement, the City is agreeing to take over any remaining bond payments used to fund the capital investment, for the life of the bond.

#### **Letter from Impacted Resident**

Staff received a letter from Lorraine Loken Koss (attached) regarding the Richfield Parkway North Connection portion of the project. Mrs. Koss requested that the letter be included in this packet and considered by the City Council prior to making a decision on the project.

III. BASIS OF RECOMMENDATION
------------------------------

#### A. POLICY

- The City's Comprehensive Surface Water Management Plan supports the use of regional and active treatment and identifies projects at both Legion Lake and Taft Lake (Section VI – Page 4)

#### B. CRITICAL TIMING ISSUES

- Final design will commence upon the approval of this Cooperative Agreement.

#### C. FINANCIAL

- Project Capital Costs are estimated to be \$2,700,000. The City will issue General Obligation Stormwater Bonds to cover the capital costs and the MCWD will make payments to the City annually per Section 2.02 of the proposed Cooperative Agreement.
- The purchase of three (3) homes is required for the completion of the project. These costs will be covered using Municipal State Aid (MSA) funds.
- Ongoing operations and maintenance of the project is to be provided by the City using the existing Storm Utility Funds.

#### D. LEGAL

- The City Attorney has been an active part of the development of the agreement and will be available to answer questions.

#### E. ENVIRONMENTAL CONSIDERATIONS

- The proposed project would achieve multiple environmental benefits including water reuse/conservation, infiltration, and phosphorus reduction.

#### IV. ALTERNATIVE RECOMMENDATION(S)

- The City Council may choose not to approve the agreement at this time and direct staff on how to proceed.

#### V. ATTACHMENTS

- Cooperative Agreement with MCWD for Legion / Taft Lakes Project
- Presentation from September 11, 2012 Council Worksession
- Metropolitan Airports Commission Letter of Understanding
- Loken Koss Letter Regarding the Project

#### VI. PRINCIPAL PARTIES EXPECTED AT MEETING

- None Anticipated.

**COOPERATIVE AGREEMENT**  
**City of Richfield and Minnehaha Creek Watershed District**

**TAFT-LEGION LAKE VOLUME AND LOAD REDUCTION PROJECT**

This Agreement is made by and between the Minnehaha Creek Watershed District, a watershed district with purposes and powers as set forth at Minnesota Statutes Chapters 103B and 103D (MCWD), and the City of Richfield, a charter city and political subdivision of the State of Minnesota (City).

**Recitals**

A. The City has proposed to construct and operate a regional stormwater treatment facility to fully and immediately treat the entire Taft Lake watershed (1533 acres) using both traditional and innovative methods and providing for high-quality treatment with measurable results.

B. The MCWD has adopted its Water Management Plan Update (April 2007) (WMP), a watershed management plan within the meaning of Minnesota Statutes §103B.231. The WMP includes a capital improvement program (CIP) that lists a number of water quality capital improvements.

C. Pursuant to a WMP amendment adopted by the MCWD Board of Managers on July 26, 2012, the CIP includes a water quality improvement project for Legion and Taft Lakes within the City, identified as the Taft-Legion Lake Regional Volume and Load Reduction Project ("Project"). The Project is more fully described in the Feasibility Report prepared by WSB & Associates for the City of Richfield (May 2010, updated July 2011 and August 2012) ("Feasibility Report").

D. The City has requested that the MCWD participate financially in the Project. The MCWD is willing to contribute funding for design and construction in the manner and aggregate amount herein set forth.

THEREFORE the City and the MCWD agree as follows:

**ARTICLE I - CONSTRUCTION by the CITY**

- 1.01. Preparation of Plans and Specifications. The City will design the Project and prepare construction plans and specifications. Plans and specifications are subject to approval by the MCWD's project manager (the "Approved Plans").
- 1.02. Contract Award. The City will receive bids and award a construction contract in accordance with applicable bidding laws.
- 1.03. Documents to be Furnished to the MCWD. Within seven days of opening bids for the construction contract, the City will submit to the MCWD project manager a copy of the low bid and an abstract of all bids together with the City's request for MCWD concurrence in the contract award. The City will not award the construction contract until the MCWD advises the City in writing of its concurrence therein.
- 1.04. Rejection of Bids. The City may reject any or all bids for the construction contract. If all bids

are rejected, either party may request in writing that the bidding process be repeated. On the other party's written concurrence, the City will repeat the bidding process within a reasonable period of time, without cost or expense to the MCWD.

- 1.05. Contract Direction and Supervision. The contract construction will be under the direction of the City and under the supervision of a registered professional engineer.
- 1.06. Completion of Construction. The City will cause the contract construction to be started and completed in accordance with the time schedule in the contract documents. The City may extend the contract completion date for unavoidable delays encountered in performance, with written concurrence of the appropriate City official and the MCWD project manager.
- 1.07. Changes to the Approved Plans. The City will notify the MCWD of any change from the Approved Plans before it is approved by the City, except for field changes, of which the MCWD may be notified promptly after approval. Any change that may affect Project water quality or flow outcomes, or ecologic impacts, is subject to written concurrence of the MCWD project manager before it is implemented by the City by means of change order, work change directive or other means. Where concurrence is required, the MCWD will review and advise the City promptly.
- 1.08. Compliance with Laws, Ordinances and Regulations. In awarding and administering the construction contract and performing construction, the City will comply and cause its contractor to comply with all federal, state and local laws, and all applicable ordinances and regulations.
- 1.09. Right-of-Way, Easements and Permits. The City will obtain all rights-of-way, easements, construction permits and any other permits and sanctions that may be required in connection with the contract construction, including applicable MCWD permits. The City will comply with Minnesota Statutes §216D.04, subdivision 1a, to identify underground facilities before soliciting bids.

## ARTICLE II – PROJECT FINANCING

- 2.01 City to Issue Bonds. The parties intend that the City will finance the design and construction of the Project by issuing general obligation storm water revenue bonds. The parties understand and acknowledge that in order to issue general obligation storm water revenue bonds, the City reasonably expects to collect sufficient storm water utility charges under this agreement to pay the principal of and interest on the bonds. The City will work cooperatively with the MCWD to structure the debt service on the bonds prior to offering the bonds for sale, so that the debt service structure will fit within the MCWD's budgetary constraints. The City's financial consultant and the MCWD's financial consultant will review the market interest rates for general obligation bonds prior to the sale of the bonds to ensure that both the City and the MCWD determine that moving forward with the bond sale is acceptable. The City will issue general obligation bonds in a principal amount that equals its engineer's estimate of the cost of the Project, plus estimated costs of bond issuance. The MCWD will not be an issuer, co-issuer or signatory to any notes or obligations pursuant to this section and will pledge no taxes for the payment of such notes and obligations. The parties acknowledge and understand that the bonds do not represent a general obligation of the MCWD nor shall

the bonds constitute or give rise to any pecuniary liability of the MCWD or any charge on its general credit or taxing powers. The City further acknowledges that the MCWD has no obligations to the owners of the bonds issued by the City. Notwithstanding, nothing in this section excuses or diminishes the MCWD's payment obligations under section 2.02, below.

- 2.02. MCWD Payments. As a user of the City's storm water utility, the MCWD agrees to make payments to the City in the amounts set forth in Attachment A. Such payments shall be made three business days prior to each February 1 and August 1 during the term of the bonds issued by the City pursuant to Section 2.01. The storm water utility charges to be paid by MCWD are to provide the City with sufficient funds to pay the principal of and interest on the bonds issued by the City pursuant to Section 2.01 above. The total storm water utility charges payable by the MCWD are estimated as follows:

Design:	\$675,000
Construction:	\$2,025,000
Bond Issuance Costs:	\$70,000
Interest:	\$685,000

"Bond issuance costs" includes underwriter compensation, reasonable legal and professional fees, the rating agency fee, the cost to print the official statement and limited and standard miscellaneous costs such as copy costs and underwriting regulatory fees. On the City's sale of the bonds and award of the construction contract, the parties will revise this Agreement so that the estimated amounts above and the schedule in Attachment A will reflect actual design, construction, bond issuance and interest costs.

- 2.03. Opinion of Counsel. On the sale of the bonds by the City pursuant to Section 2.01, the MCWD shall provide the City's bond counsel with an opinion from its legal counsel that the MCWD's promise to pay storm sewer utility charges in amounts sufficient to pay annual debt service on the bonds under this Agreement is a duly authorized and valid and binding commitment of the MCWD and is enforceable pursuant to the terms of this Cooperative Agreement.
- 2.04. If the lowest responsive bid price of a responsible bidder for the Project construction exceeds \$2,700,000, the City will be responsible for the remainder of the construction contract price or may terminate the Project if it determines not to assume responsibility for that additional cost. The City in its discretion may include an extraordinary call in the bonds in the event the Project does not proceed. The City will be responsible for any increase in the construction contract price after the construction contract has been awarded.
- 2.05. City Warranty of Land Rights. During the period in which the MCWD is obligated to make storm water utility user payments under Attachment A, if the Project ceases to be able to provide performance in accordance with the Approved Plans due to the City's loss of regulatory approvals or lack of adequate real property interests to continue to maintain and operate the Project, including encumbrances that interfere with same, then the MCWD's obligation ceases as to any payments due on or after the date of such disability.
- 2.06. Excess Bond Proceeds. If proceeds of the bonds remain after Project completion, the City will notify the MCWD of the amount of such excess proceeds. The City will expend the excess



bond proceeds to pay debt service on the bonds on the next payment dates for the bonds until the excess bond proceeds are expended. There shall be a corresponding decrease in the MCWD's required payments (set forth in Attachment A) on such payment dates.

- 2.07. **Refunding Bonds.** If the City and the MCWD determine that it is in their best interests for the City to issue refunding bonds to redeem and prepay the bonds described herein for purposes of debt service savings or any other purpose mutually agreed upon by the City and MCWD, this Agreement shall be amended so that Section 2.02 and Attachment A provide that the MCWD shall pay the principal and interest payments on the refunding bonds.

### ARTICLE III – POST-CONSTRUCTION OBLIGATIONS

- 3.01. **Project Operation, Maintenance and Monitoring.** On completion of Project construction, and without cost or expense to the MCWD, the City will be responsible for all obligations and liabilities arising out of or by reason of the use, operation, maintenance, repair and reconstruction of the Project and all of the facilities constructed thereunder, including but not limited to the following:

- A. The City will provide for the proper operation and maintenance of the Project facilities, including pumps; irrigation systems; channels and pipes that convey storm water; proprietary and non-proprietary infiltration systems; other storm water management devices, and flocculation handling equipment.
- B. The City will monitor the operation and performance of the infiltration, irrigation, and flocculation treatment system in accordance with Attachment B hereto, to assess the flow rate and/or volume of water treated as well as the performance of the treatment system.
- C. The City will manage and maintain the native vegetation established as part of the Project.
- D. If the monitoring shows the system is not performing as intended, after consulting with the MCWD the City will take feasible actions to improve project performance. A feasible action is one that is technically attainable at a cost not grossly disproportionate to the performance benefit it is capable of achieving.

The City will maintain and monitor the Project in perpetuity in accordance with the general terms set forth in Attachments B and C to this Agreement. The plans and specifications prepared pursuant to section 1.01, above, will include revised Attachments B and C providing further operation, monitoring and maintenance detail while still meeting all standards of the existing attachments. On MCWD approval of the revised attachments, not to be unreasonably withheld, this Agreement will be amended to incorporate them. Absent such an amendment, existing Attachments B and C will remain in full force and effect.

- 3.02. **Public Communication and Education.** The City and the MCWD will cooperate to develop and implement an effective public communication and education program regarding the Project.

#### ARTICLE IV. CREDIT FOR POLLUTANT LOAD and VOLUME REMOVALS

- 4.01 Regulatory Credit for City and Third-Party Redevelopment. Attachment D delineates the contributing drainage area to the Project. The MCWD finds that use of the Project in place of on-site stormwater management for lands within the contributing drainage area will not result in adverse impacts to local groundwater or natural resources located upstream of the Project. Accordingly, in applying its stormwater management rule to any activity within the contributing drainage area, the MCWD will recognize the Project as an acceptable facility for phosphorus, volume and rate control provided that the City is meeting operation and maintenance responsibilities under this Agreement.
- 4.02 Site-Based Best Management Practices. Notwithstanding section 4.01, above, an application for a stormwater management permit for activity on land within the contributing drainage area must include beneficial, reasonable and feasible BMPs to limit creation of impervious surface, maintain or enhance on-site infiltration and peak flow control, and limit pollutant generation on and discharge from the site. The order of preference for BMPs is infiltration, biofiltration, structural practices. BMPs may include site design, structural practices and non-structural practices and must be designed and installed in accordance with generally accepted design practices and guidance contained in the Minnesota Pollution Control Agency's *Minnesota Stormwater Manual* and its subsequent revisions. All sites of five acres or larger will incorporate a sump manhole for solids removal. Nothing in this Agreement limits the City's discretion to charge benefiting property owners for the availability or use of the Project.
- 4.03 Sole City Permitting Authority. If the City is exercising sole authority for stormwater management permitting pursuant to MCWD approval of the City's local water plan under Minnesota Statutes §103B.235, then the City will exercise that authority in accordance with sections 4.01 and 4.02, above. MCWD concurrence is required for a City decision in a specific instance not to require on-site BMPs(beyond a sump manhole, if that device is required pursuant to section 4.02, above). In this event, the City will provide the MCWD regulatory department with at least 10 business days for application review and if the City and the MCWD do not concur in the BMP determination, the City will authorize the MCWD to exercise its regulatory authority under Minnesota Statutes §103B.211, subdivision 1(a)(3).
- 4.04 Effect of Performance Failure. If at any time the Project is unable to provide performance sufficient to meet the aggregate compliance requirements for activity that has been permitted under section 4.01, above, and performance is not or cannot be restored within a reasonable time, the City and the MCWD will cooperate to identify and jointly or independently implement replacement measures. The City recognizes that the MCWD, in its discretion and within its legal authority, may fund such measures by means of stormwater charges or other mechanisms that draw funds from the affected geographic area.
- 4.05 Allocation of Credit Between City and MCWD. Reflecting approximate relative contributions to the Project cost, the City and the MCWD each will own one-half of the pollutant load and volume reductions resulting from the Project for the purposes of Minnesota Statutes chapter 103B local water planning, the Total Maximum Daily Load and non-degradation programs, NPDES MS4 permit requirements, and any other planning or regulatory mandates. The

MCWD will determine the pollutant load and volume reductions from the Project after consulting with the City, and for that purpose may reasonably request design and performance monitoring data from the City. Project pollutant load and volume reduction capacity used under section 4.01, above, will count against the City's allocation. Any transaction in which the right to any allocation is transferred to another public body will occur only in a writing evidencing the concurrence of the City engineer and the MCWD project manager.

## ARTICLE V. GENERAL

- 5.01 Termination Without Cause. Until bonds have been issued or until the construction contract has been awarded, either party may terminate this Agreement without cause by giving written notice to the other party. If the MCWD terminates this Agreement under this provision, the MCWD will reimburse the City for its reasonable design contract costs incurred under section 1.01, above, within 30 days after the date of the City's invoice for such costs. Regardless of which party terminates this Agreement under this provision, the City shall be solely responsible for costs incurred under section 1.09, above. A failure to approve pursuant to reasonable exercise of an explicit approval right under this Agreement is not termination without cause.
- 5.02 Expiration. This Agreement expires when the City has fully paid and defeased the general obligation bonds to be issued in accordance with Section 2.01, above, or when the MCWD has made all of the payments required under section 2.02, above, whichever is later. Notwithstanding, rights and obligations under sections 2.05, 3.01, 4.01 thru 4.05, and 5.03 survive expiration.
- 5.03 Independent Parties; No Waiver of Protections. Each party is responsible for its own employees for any claims arising under the Workers Compensation Act. Each party is responsible for its own acts, omissions and the results thereof to the extent authorized by law and will not be responsible for the acts and omissions of others or the results thereof. Minnesota Statutes chapter 466 and other applicable law govern liability of the City and the MCWD. This Agreement creates no rights in and waives no immunity, defense or liability limit with respect to any third party or the other party to this Agreement. Only contractual remedies are available for the failure of a party to fulfill the terms of this Agreement. The MCWD's role under this Agreement is solely to provide funds to support the City's demonstration and implementation of innovative stormwater management approaches and the dissemination of knowledge about those approaches. The MCWD has no authority to select, or role in selecting, the design, means, method or manner of performing any part of the Project or the person or firm who will perform the work. Any MCWD approval or concurrence in plans and specifications or other aspect of Project construction is solely for the MCWD's own accounting of its use of funds. Nothing in this Agreement constitutes the agreement of one party to be responsible for the acts or omissions of the other within the meaning of Minnesota Statutes §471.59, subdivision 1a.

5.04 Nondiscrimination. The provisions of Minnesota Statutes Section 181.59 and of any applicable law relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein.

5.05 Project Managers. Each notification required by this Agreement must be made to the project manager. The MCWD's project manager for the purpose of the administration of this Agreement is:

Becky Houdek, Planner  
Minnehaha Creek Watershed District  
18202 Minnehaha Boulevard  
Deephaven, MN 55391  
(952) 471-0590

The City's project manager for the purpose of the administration of this Agreement is:

Kristin Asher, City Engineer  
City of Richfield  
1901 East 66<sup>th</sup> Street  
Richfield, MN 55423  
(612) 861-9795

Contact information will be kept current and either contact may be changed by a party by written notification to the other party.

5.06 Assignment. A party to this Agreement may not assign or transfer any right or obligation under this Agreement without the prior consent of the other party and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement or their successors in office.

5.07 Amendment. An amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement or their successors in office.

5.08 Waiver. A party's failure to enforce a provision of this Agreement does not waive the provision or that party's right to enforce it subsequently.


5.09 Recitals. The above Recitals are incorporated into this Agreement.

IN TESTIMONY WHEREOF the parties have executed this Agreement by their authorized officers.

CITY OF RICHFIELD


By   
Its Mayor

Date:

By   
Its City Manager

Date:

MINNEHAHA CREEK WATERSHED DISTRICT

By   
Its President

Date: 2-5-2013

*Approved for form and execution:*

  
MCWD Counsel

**ATTACHMENT A – Payments to the City**

# City of Richfield, Minnesota

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\$2,770,000

General Obligation Stormwater Revenue Bonds, Series 2013

"AA" Rated, B.Q. Market Rates plus 25bps

## Table of Contents

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### Report

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Debt Service Schedule	2



## City of Richfield, Minnesota

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\$2,770,000

General Obligation Stormwater Revenue Bonds, Series 2013

"AA" Rated, B.Q. Market Rates plus 25bps

### Sources & Uses

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Dated 03/20/2013 | Delivered 03/20/2013

#### Sources Of Funds

Par Amount of Bonds	\$2,770,000.00
---------------------	----------------

<b>Total Sources</b>	<b>\$2,770,000.00</b>
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#### Uses Of Funds

Total Underwriter's Discount (1.200%)	33,240.00
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Costs of Issuance	36,000.00
-------------------	-----------

Deposit to Project Construction Fund	2,700,000.00
--------------------------------------	--------------

Rounding Amount	760.00
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<b>Total Uses</b>	<b>\$2,770,000.00</b>
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# City of Richfield, Minnesota

\$2,770,000

General Obligation Stormwater Revenue Bonds, Series 2013

"AA" Rated, B.Q. Market Rates plus 25bps

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/20/2013	-	-	-	-	-
02/01/2014	125,000.00	0.550%	45,328.25	170,328.25	170,328.25
08/01/2014	-	-	25,891.25	25,891.25	-
02/01/2015	120,000.00	0.750%	25,891.25	145,891.25	171,782.50
08/01/2015	-	-	25,441.25	25,441.25	-
02/01/2016	120,000.00	0.850%	25,441.25	145,441.25	170,882.50
08/01/2016	-	-	24,931.25	24,931.25	-
02/01/2017	125,000.00	1.000%	24,931.25	149,931.25	174,862.50
08/01/2017	-	-	24,306.25	24,306.25	-
02/01/2018	125,000.00	1.150%	24,306.25	149,306.25	173,612.50
08/01/2018	-	-	23,587.50	23,587.50	-
02/01/2019	125,000.00	1.250%	23,587.50	148,587.50	172,175.00
08/01/2019	-	-	22,806.25	22,806.25	-
02/01/2020	125,000.00	1.400%	22,806.25	147,806.25	170,612.50
08/01/2020	-	-	21,931.25	21,931.25	-
02/01/2021	130,000.00	1.550%	21,931.25	151,931.25	173,862.50
08/01/2021	-	-	20,923.75	20,923.75	-
02/01/2022	130,000.00	1.750%	20,923.75	150,923.75	171,847.50
08/01/2022	-	-	19,786.25	19,786.25	-
02/01/2023	135,000.00	1.950%	19,786.25	154,786.25	174,572.50
08/01/2023	-	-	18,470.00	18,470.00	-
02/01/2024	135,000.00	2.050%	18,470.00	153,470.00	171,940.00
08/01/2024	-	-	17,086.25	17,086.25	-
02/01/2025	140,000.00	2.150%	17,086.25	157,086.25	174,172.50
08/01/2025	-	-	15,581.25	15,581.25	-
02/01/2026	140,000.00	2.250%	15,581.25	155,581.25	171,162.50
08/01/2026	-	-	14,006.25	14,006.25	-
02/01/2027	145,000.00	2.300%	14,006.25	159,006.25	173,012.50
08/01/2027	-	-	12,338.75	12,338.75	-
02/01/2028	150,000.00	2.400%	12,338.75	162,338.75	174,677.50
08/01/2028	-	-	10,538.75	10,538.75	-
02/01/2029	150,000.00	2.500%	10,538.75	160,538.75	171,077.50
08/01/2029	-	-	8,663.75	8,663.75	-
02/01/2030	155,000.00	2.550%	8,663.75	163,663.75	172,327.50
08/01/2030	-	-	6,687.50	6,687.50	-
02/01/2031	160,000.00	2.600%	6,687.50	166,687.50	173,375.00
08/01/2031	-	-	4,607.50	4,607.50	-
02/01/2032	165,000.00	2.700%	4,607.50	169,607.50	174,215.00
08/01/2032	-	-	2,380.00	2,380.00	-
02/01/2033	170,000.00	2.800%	2,380.00	172,380.00	174,760.00
<b>Total</b>	<b>\$2,770,000.00</b>	<b>-</b>	<b>\$685,258.25</b>	<b>\$3,455,258.25</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$30,372.97
Average Life	10.965 Years
Average Coupon	2.2561449%
Net Interest Cost (NIC)	2.3655843%
True Interest Cost (TIC)	2.3577457%
Bond Yield for Arbitrage Purposes	2.2302414%
All Inclusive Cost (AIC)	2.4983312%

## IRS Form 8038

Net Interest Cost	2.2561449%
Weighted Average Maturity	10.965 Years

Ser 2013 GO StormSwr Rev | SINGLE PURPOSE | 1/16/2013 | 1:11 PM

## ATTACHMENT B – Operation and Performance Monitoring

The City of Richfield shall perform the following as part of its responsibility to monitor the performance of the infiltration, irrigation, and flocculation treatment system:

1. Monitor flow pumped through the infiltration, irrigation, and flocculation treatment system continually when in use so annual volume removed and or treated can be measured.
2. Monitor quality of influent water at least monthly based on collection of grab samples and analysis for total phosphorus, ortho-phosphorus, and total suspended solids.
3. Continuously monitor precipitation at Taft Lake with tipping bucket rain gage or equal.
4. Monitor irrigation and infiltration systems, to the extent necessary, to assure the systems are not hydraulically overloaded and exceed their infiltration or evapotranspiration capability.
5. Monitor quality of effluent leaving flocculation treatment system at least monthly based on grab samples that are analyzed for TP, OP, TSS, ph.
6. Perform additional monitoring if necessary to maintain compliance with other applicable permits for the project, and provide the results of this supplemental monitoring to the Watershed on an annual basis along with the results of the monitoring listed above.
7. Submit annual report to the Minnehaha Creek Watershed District for prior year's monitoring by June 30<sup>th</sup>. Report should include an interpretation of the data to the extent needed to quantify the annual removal of total phosphorus, ortho-phosphorus, and water volume provided by the BMP's, and provide a comparison of these removals to those projected in the feasibility report.
8. Provide recommendations on any suggested changes to the monitoring activities that may be deemed reasonable for the coming year.

Provided the City of Richfield and MCWD both agree on the suggested changes, the future monitoring plan can be modified.

## ATTACHMENT C – Project Maintenance

### 1. Inspections

City of Richfield shall, at a minimum, inspect the BMP's constructed as part of this project on a bi-monthly basis, and as needed during periods when the systems are in operation. As part of this activity, the pumps, controls, and other elements of the system shall be inspected to the extent necessary to verify the system is functional and can be operated in a manner consistent with its design, or determine it is not functional and in need of repair.

### 2. Monitoring

Appropriate components of the system will be connected to the City of Richfield SCADA system and/or warning lights will be provided as necessary to assist in the efficient monitoring of the systems operation. If system is not functional, reasonable actions shall be taken to return the system to a functioning condition as soon as practical.

### 3. Maintenance

- The City is obligated to maintain and repair the facilities (irrigation system, infiltration system, grit chambers, and flocculation treatment system) to the design standards.
- The City is responsible to maintain the native buffer plantings including watering, reseeding, and controlled burns, as needed.
- Maintenance must occur as soon as it reasonably can be accomplished after the need is observed, and in any event within one year of the City's awareness of the potential maintenance need.
- The District has the right to enter and inspect the facilities.

### 4. Records Keeping

Records shall be kept documenting information regarding inspections, monitoring, and operation costs as outlined in the Feasibility Report.

### 5. Annual Report

- The results of the inspection activities shall be summarized and included in an annual report. This information shall include the results of continuous flow measurements at the outlet of Taft Lake so the annual hydraulic and pollutant load leaving the Lake can be quantified.
- Continuous Stage level monitoring of Taft Lake shall be reported so infiltration/evaporation losses can be measured.
- Operation costs for system operation, maintenance, and flocculation disposal shall be included in the annual report.
- The report for the past calendar year shall be submitted to the MCWD by June 30<sup>th</sup> of the following year, and include recommendations on any suggested changes to the maintenance program that may be reasonable to implement.

Provided the City of Richfield and MCWD both agree on the suggested changes, the future maintenance plan can be modified.

ATTACHMENT D – Project Drainage Area

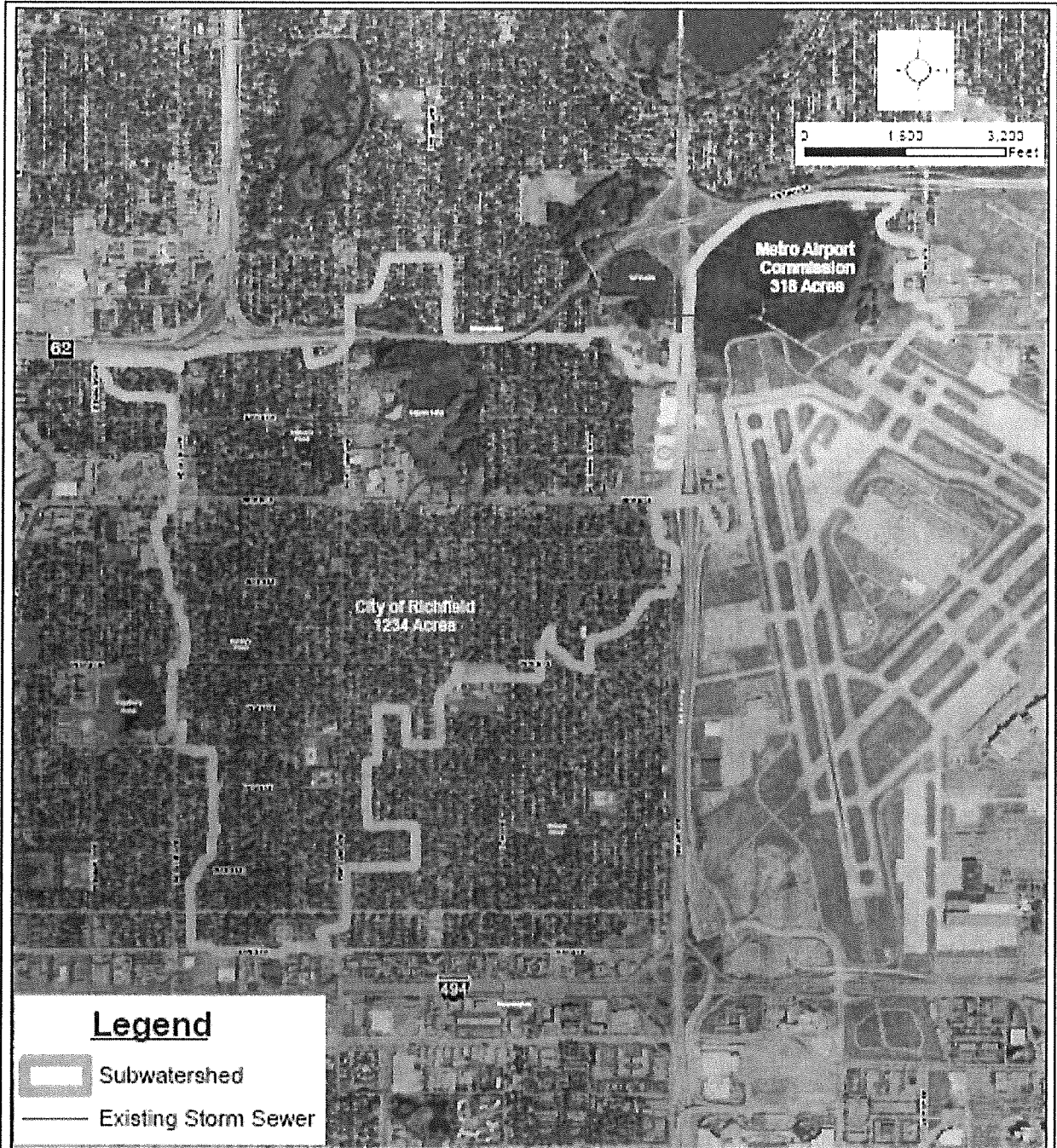
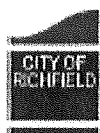


Figure 1

Area Treated by  
Taft Lake/Legion Lake Watershed  
Water Quality Improvement Project



**FIRST AMENDMENT to  
COOPERATIVE AGREEMENT  
City of Richfield and Minnehaha Creek Watershed District**

**TAFT-LEGION LAKE VOLUME AND LOAD REDUCTION PROJECT**

This Amendment is made by and between the Minnehaha Creek Watershed District, a watershed district with purposes and powers as set forth at Minnesota Statutes Chapters 103B and 103D (MCWD), and the City of Richfield, a charter city and political subdivision of the State of Minnesota ("City").

**Recitals**

A. On February 5, 2013, the MCWD and the City entered into a Cooperative Agreement ("Agreement") to construct, operate and maintain a water quality improvement project for Legion and Taft Lakes within the City, identified as the Taft-Legion Lake Regional Volume and Load Reduction Project ("Project").

B. The Agreement identifies certain amendments that the parties will make once further project details are determined. The parties also wish to amend the Agreement to provide for phasing of construction activity and to clarify certain terms in the Agreement.

THEREFORE the City and the MCWD agree as follows:

A. The Agreement is amended by adding a new Section 1.10 as follows:

- 1.10. Project Phasing. The City intends to separate the design, procurement and construction of the Project into four phases, and may award the contracts for separate phases to different contractors. Sections 1.01 through 1.09 apply to each phase.

B. Section 2.02 of the Agreement is revised to read as follows:

- 2.02. MCWD Payments. As a user of the City's storm water utility, the MCWD agrees to make payments to the City in the amounts set forth in Attachment A. Such payments shall be made three business days prior to each February 1 and August 1 during the term of the bonds issued by the City pursuant to Section 2.01. The storm water utility charges to be paid by MCWD are to provide the City with sufficient funds to pay the principal of and interest on the bonds issued by the City pursuant to Section 2.01 above. The total storm water utility charges payable by the MCWD are as follows:

Design and Construction:	not to exceed \$2,700,000
Bond Issuance Costs:	\$ 61,462
Interest:	\$ 704,662

"Bond issuance costs" includes underwriter compensation, reasonable legal and professional fees, the rating agency fee, the cost to print the official

statement and limited and standard miscellaneous costs such as copy costs and underwriting regulatory fees.

C. Section 2.04 of the Agreement is revised to read as follows:

- 2.04. Cost Responsibility. If, for a specific phase, the contract design and awarded construction contract price together exceed the following figure, the City will be responsible for the remainder of the price or may terminate the Project if it determines not to assume responsibility for that additional cost:

Phase 1:	Frontage road replacement	\$ 600,000
Phase 2:	Infiltration system	\$ 807,500
Phase 3:	Flocculation treatment system and grit chambers	\$1,200,000
Phase 4:	Native buffers	\$ 50,000

Notwithstanding the foregoing, when Project construction is completed, the MCWD will be responsible for the aggregate contract design and awarded construction contract price for the four phases, up to a total of \$2,700,000. Any further cost will be borne by the City. The City will be responsible for any increase in a construction contract price after the construction contract has been awarded. The City in its discretion may include an extraordinary call in the bonds in the event the Project, or one or more phases thereof, does not proceed.

D. Section 3.01 of the Agreement is revised to read as follows:

- 3.01. Project Operation, Maintenance and Monitoring. On completion of each phase of Project construction, and without cost or expense to the MCWD, the City will be responsible for all obligations and liabilities arising out of or by reason of the use, operation, maintenance, repair and reconstruction of the Project and all of the facilities constructed thereunder, including but not limited to the following:

- A. The City will provide for the proper operation and maintenance of the Project facilities, including pumps; channels and pipes that convey storm water; proprietary and non-proprietary infiltration systems; other storm water management devices, and flocculation handling equipment.
- B. The City will monitor the operation and performance of the infiltration and flocculation treatment system in accordance with Attachment B hereto, to assess the flow rate and/or volume of water treated as well as the performance of the treatment system.
- C. The City will manage and maintain the native vegetation established as part of the Project.

- D. If the monitoring shows the system is not performing as intended, after consulting with the MCWD the City will take feasible actions to improve project performance. A feasible action is one that is technically attainable at a cost not grossly disproportionate to the performance benefit it is capable of achieving.

The City will maintain and monitor the Project in perpetuity in accordance with the terms set forth in Attachments B and C to this Agreement.

E. Section 5.05 of the Agreement is revised to read as follows:

- 5.05 Project Managers. Each notification required by this Agreement must be made to the project manager. The MCWD's project manager for the purpose of the administration of this Agreement is:

Becky Houdek, Planner  
Minnehaha Creek Watershed District  
15320 Minnehaha Boulevard  
Minnetonka, MN 55345  
(952) 471-0590

The City's project manager for the purpose of the administration of this Agreement is:

Kristin Asher, City Engineer  
City of Richfield  
1901 East 66<sup>th</sup> Street  
Richfield, MN 55423  
(612) 861-9795

Contact information will be kept current and either contact may be changed by a party by written notification to the other party.

F. Attachments A and B to this Amendment, attached hereto and incorporated herein, replace Attachments A and B of the Agreement, respectively, and henceforth constitute Attachments A and B of the Agreement.


G. Except as explicitly amended hereby, the Agreement and all terms therein remain in full force and effect.

IN TESTIMONY WHEREOF the parties have executed this Amendment by their authorized officers.

**CITY OF RICHFIELD**

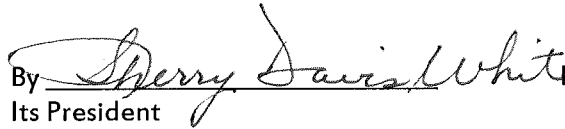
By Debbie Gorth  
Its Mayor

Date:


By   
Its City Manager

Date:

**MINNEHAHA CREEK WATERSHED DISTRICT**

By  Date: 7-11-2017  
Its President

***Approved for form and execution:***

  
MCWD Counsel



## Attachment A - MCWD Payment Schedule

Due Date	Payment Amount	Annual Total
1/27/2014	\$ 125,619.88	
7/27/2014	\$ 29,227.50	\$ 154,847.38
1/27/2015	\$ 149,227.50	
7/27/2015	\$ 28,027.50	\$ 177,255.00
1/27/2016	\$ 148,027.50	
7/27/2016	\$ 26,827.50	\$ 174,855.00
1/27/2017	\$ 151,827.50	
7/27/2017	\$ 25,577.50	\$ 177,405.00
1/27/2018	\$ 150,577.50	
7/27/2018	\$ 24,327.50	\$ 174,905.00
1/27/2019	\$ 149,327.50	
7/27/2019	\$ 23,077.50	\$ 172,405.00
1/27/2020	\$ 148,077.50	
7/27/2020	\$ 21,827.50	\$ 169,905.00
1/27/2021	\$ 151,827.50	
7/27/2021	\$ 20,527.50	\$ 172,355.00
1/27/2022	\$ 150,527.50	
7/27/2022	\$ 19,227.50	\$ 169,755.00
1/27/2023	\$ 154,227.50	
7/27/2023	\$ 17,877.50	\$ 172,105.00
1/27/2024	\$ 152,877.50	
7/27/2024	\$ 16,527.50	\$ 169,405.00
1/27/2025	\$ 156,527.50	
7/27/2025	\$ 15,127.50	\$ 171,655.00
1/27/2026	\$ 155,127.50	
7/27/2026	\$ 13,622.50	\$ 168,750.00
1/27/2027	\$ 158,622.50	
7/27/2027	\$ 12,063.75	\$ 170,686.25
1/27/2028	\$ 162,063.75	
7/27/2028	\$ 10,301.25	\$ 172,365.00
1/27/2029	\$ 160,301.25	
7/27/2029	\$ 8,538.75	\$ 168,840.00
1/27/2030	\$ 163,538.75	
7/27/2030	\$ 6,562.50	\$ 170,101.25
1/27/2031	\$ 166,562.50	
7/27/2031	\$ 4,522.50	\$ 171,085.00
1/27/2032	\$ 169,522.50	
7/27/2032	\$ 2,295.00	\$ 171,817.50
1/27/2033	\$ 172,295.00	\$ 172,295.00
<b>Total</b>	<b>\$ 3,422,792.38</b>	

## **ATTACHMENT B - Operation and Monitoring Plan (updated May 13<sup>th</sup>, 2014)**

Outlined below, please find the activities that shall be undertaken as part of the Operation and Monitoring of the Taft Lake/Legion Lake Water Quality Improvement Project.

### **I. Operational Activities:**

#### **Infiltration system:**

- City will typically operate system from late April/May through October/November when water levels are above specified elevations.
- Water may be pumped from the west and/or south storm water ponds surrounding Legion Lake for infiltration when water levels in the lake are at or above the lake overflow outlet elevation or no greater than .5 feet below the outlet elevation. Should water levels in Taft Lake be observed to be at or greater than 1 foot below the run out elevation, pumping of water from Legion Lake shall be discontinued to increase probability that water will overflow from Legion Lake and replenish water levels in Taft Lake. These elevations may be subject to modification in the future and may vary from month to month or year to year based on input from DNR, MCWD, City Staff or residents.
- Water may be pumped from Taft Lake for infiltration when water levels in the lake are at or above the lake overflow outlet elevation or no greater than .5 feet below the outlet elevation. These elevations may be subject to modification in the future and may vary from month to month or year to year based on input from DNR, MCWD, City Staff or residents.
- The City intends to operate each of the three infiltration systems by pumping at approximately 100 gallons per minute (gpm) for an estimated annual volume reduction of 120-240 acre-feet.
- Water levels in infiltration trenches will be monitored. Pumping rates and times will be adjusted to maximize infiltration capabilities of system, but also take into consideration the reasonable use of the park system in the area. Generally, pumping into infiltration system will be monitored to limit saturated soils zone in area of infiltration trench to be at least 1 foot below the ground surface and restrict pumped water from overflowing the trench area and reaching the surrounding ground surface.

#### **Flocculation treatment system:**

- Operate system from April/May to October/November provided lake quality will reasonably benefit from operation, consistent with permit and other applicable terms.
- Pump water from lake using either hypolimnetic intake or surface intake. Preference will be to use hypolimnetic intake unless operational issues limit use (i.e. odor, other influent treatment considerations).

- The City intends to operate the system by pumping between 250-400 gpm which is estimated to treat between 200-320 acre-feet of stormwater annually.

### **Performance of Systems:**

The August 2012 Feasibility Report estimated that the combined BMP's for the project would achieve between 134-280 acre-feet of volume reduction and between 167-413 pounds of phosphorus load reduction annually. The City will monitor and adjust operation of the systems as needed to achieve reductions within this range provided that there is sufficient volume available for infiltration without lowering lake levels below the elevations specified above.

### **Modifications to Operational Plan:**

It is recognized that the operation of this system needs to be flexible and the above plan may need to be changed. MCWD staff shall be consulted on any changes, and appropriate approvals, as deemed required by the agreement between the City and the MCWD, shall be secured.

## **II. Monitoring Activities**

A monitoring plan has been developed to provide water quality and quantity monitoring within the Taft and Legion Lake Project area. Please note that this does not include the monitoring required to operate the flocculation treatment system. These activities will be in conformance with the specific requirements outlined in the MPCA MS4 permit for these systems. A copy of these requirements is attached to this plan.

In regard to the monitoring associated with this project, the following general objectives have been identified along with the specific tasks that will be completed:

- Objective 1:** Estimate storm water runoff volumes within selected watersheds in order to further refine the estimated rainfall to runoff ratios for each basin.
- Objective 2:** Measure surface water elevations and compute volume reductions to further refine the estimated infiltration and evaporation rates for each of the selected basins.
- Objective 3:** Monitor rainfall amounts within the City to determine the duration and intensity and to refine the estimated runoff ratios.
- Objective 4:** Measure surface water discharge volumes from Taft Lake.
- Objective 5:** Collect water samples from within Legion Lake to estimate the lake's water quality.
- Objective 6:** Collect epilimnion and hypolimnion water samples and water quality data from Taft Lake to observe changes that occur within the lake and to define its trophic state.
- Objective 7:** Estimate total phosphorus loading to Lake Nokomis.

**Objective 8:** Quantify volume and pollutant load reductions achieved by the Project.

**Objective 9:** Sample Taft Lake for chloride concentrations during periods of spring runoff.

**Objective 10:** Provide MS4 compliance support for Minimum Control Measure (MCM) 3: Illicit Discharge and 6: Pollution Prevention and Good Housekeeping.

The tasks associated with completing the objectives of the monitoring effort are described below:

**Task 1: Measure Rainfall Amounts**

As part of this task, install two continuous rainfall monitors within the City which will record the date and duration of each rainfall event. This rainfall data will provide the information necessary to determine the rainfall to runoff ratios for each basin.

**Task 2: Measure Surface Water Elevations within Selected Basins**

As part of this task, the City will install continuous surface water measuring devices, which will record surface water elevations on an hourly basis during the monitoring period (April/May through November). This elevation data will provide information necessary to determine the evaporation and infiltration rates and rainfall to runoff ratios for Taft Lake and Legion Lake.

**Task 3: Measure Discharge Volumes from Taft Lake and Legion Lake.**

As part of this task, the City will install and remove a velocity meter at the outlet of Taft Lake, and a weir at Legion Lake with associated stage level recorders, which will allow discharge rate and volume measurements and records to be maintained for both lake outlets during the monitoring period (April/May through November).

**Task 4: Measure the Water Quality within Taft Lake and Legion Lake.**

As part of this task, the City will perform water quality sampling and water quality data collection on a monthly basis, from May to September, within Taft Lake and Legion Lake. For Taft Lake, this task will include sample collection from the epilimnion and hypolimnion layers of the lake, and the measurement of dissolved oxygen levels, water temperature, and water clarity. Sampling will be conducted according to the MPCA "Guidance Manual for Assessing the Quality of Minnesota Surface Waters for Determination of Impairment". Water samples will be analyzed for total and ortho phosphorus (TP and OP), total suspended solids (TSS), and Chlorophyll A. This data will be shared with the MCWD and MPCA annually.

**Task 5: Measure Chloride Levels during Spring Runoff**

As part of this task, the City will obtain spring runoff water samples and provide analysis for chlorides. Sampling will occur at selected basins twice between February and April in selected locations.

**Task 6: Measure Performance of Infiltration and Flocculation Systems** In addition to the lake monitoring in Task 4, the City will monitor the quality of water in the two stormwater ponds surrounding Legion Lake at least monthly based on collection of grab samples and

analyze for total phosphorus, ortho-phosphorus, and total suspended solids. The City will monitor the quality of effluent leaving the flocculation treatment system at least monthly based on grab samples that are analyzed for TP, OP, TSS, and ph. The City will also monitor flow pumped through the infiltration and flocculation treatment systems continually when in use so annual volume removed and or treated can be measured.

#### **Task 7: Data Analysis and Interpretation**

As part of this task, the data that is collected on a monthly basis will be reviewed to identify if there are any changes that need to be made to the monitoring protocol. Annually, at the end of the monitoring period, the data will be analyzed to determine infiltration and evaporation rates, rainfall to runoff ratios, discharge volumes, pollutant loading and reduction rates. A report summarizing the findings will be forwarded to the MCWD for their information.

#### **Task 8: Reporting**

The City will submit an annual report to the Minnehaha Creek Watershed District for prior year's monitoring by June 30<sup>th</sup>. The report will include an interpretation of the data to the extent needed to quantify the annual removal of total phosphorus, ortho-phosphorus, and water volume provided by the BMP's, and provide a comparison of these removals to those projected in the feasibility report. The report will also provide recommendations on any suggested changes to the operation and monitoring activities that may be deemed reasonable for the coming year.

**F. Alum or Ferric Chloride Phosphorus Treatment Systems**

If the permittee uses an alum or ferric chloride phosphorus treatment system, the permittee shall comply with the following:

**1. Minimum Requirements of an Alum or Ferric Chloride Phosphorus Treatment System**

**a. Limitations**

- (1) The permittee shall use the treatment system for the treatment of phosphorus in **stormwater**. **Non-stormwater discharges** shall not be treated by this system.
- (2) The treatment system must be contained within the conveyances and **structural stormwater BMPs** of a small **MS4**. The utilized conveyances and **structural stormwater BMPs** shall not include any **receiving waters**.
- (3) Phosphorus treatment systems utilizing chemicals other than alum or ferric chloride must receive written approval from the **Agency**.
- (4) In-lake phosphorus treatment activities are not authorized under this permit.

**b. Treatment System Design**

- (1) The treatment system shall be constructed in a manner that diverts the **stormwater** flow to be treated from the main conveyance system.
- (2) A **High Flow Bypass** shall be part of the inlet design.
- (3) A flocculent storage/settling area shall be incorporated into the design, and adequate maintenance access must be provided (minimum of 8 feet wide) for the removal of accumulated sediment.

**2. Monitoring During Operation**

- a. A designated **person** shall perform visual monitoring of the treatment system for proper performance at least once every seven (7) days, and within 24 hours after a rainfall event greater than 2.5 inches in 24 hours. Following visual monitoring which occurs within 24 hours after a rainfall event, the next visual monitoring must be conducted within seven (7) days after that rainfall event.
- b. Three benchmark monitoring stations shall be established. Table B-1 shall be used for the parameters, units of measure, and frequency of measurement for each station.
- c. Samples shall be collected as grab samples or flow-weighted 24-hour composite samples.
- d. Each sample, excluding pH samples, must be analyzed by a laboratory certified by the MDH and/or the MPCA, and:
  - (1) Sample preservation and test procedures for the analysis of pollutants shall conform to 40 CFR Part 136 and Minn. R. 7041.3200.
  - (2) Detection limits for dissolved phosphorus, dissolved aluminum, and dissolved iron shall be a minimum of 6 micrograms per liter ( $\mu\text{g/L}$ ), 10  $\mu\text{g/L}$ , and 20  $\mu\text{g/L}$ , respectively.
  - (3) pH must be measured within 15 minutes of sample collection using calibrated and maintained equipment.

**Table B-1:**  
**Monitoring Parameters During Operation**

Station	Alum Parameters	Ferric Parameters	Units	Frequency
Upstream- Background	Total Phosphorus	Total Phosphorus	mg/L	1 x week
	Dissolved Phosphorus	Dissolved Phosphorus	mg/L	1 x week
	Total Aluminum	Total Iron	mg/L	1 x month
	Dissolved Aluminum	Dissolved Iron	mg/L	1 x week
	pH	pH	SU	1 x week
	Flow	Flow	Mgd	Daily
Alum or Ferric Chloride Feed	Alum	Ferric	Gallons	Daily Total Dosed In Gallons
Discharge From Treatment	Total Phosphorus	Total Phosphorus	mg/L	1 x week
	Dissolved Phosphorus	Dissolved Phosphorus	mg/L	1 x week
	Total Aluminum	Total Iron	mg/L	1 x month
	Dissolved Aluminum	Dissolved Iron	mg/L	1 x week
	pH	pH	SU	1 x week
	Flow	Flow	Mgd	Daily

- e. In the following situations, the permittee shall perform corrective action(s) and immediately notify the Minnesota Department of Public Safety Duty Officer at 1-800-422-0798 (toll free) or 651-649-5451 (Metro area):
- (1) The pH of the discharged water is not within the range of 6.0 and 9.0
  - (2) Any indications of toxicity or measurements exceeding water quality standards
  - (3) A spill, as defined in Minn. Stat. § 115.01, subd. 13, of alum or ferric chloride

### 3. Reporting and Recordkeeping

#### a. Annual Reporting

The permittee shall submit the following information with the Annual Report in Part IV.B. The Annual Report must include a month-by-month summary of:

- (1) Date(s) of operation
- (2) Chemical(s) used for treatment
- (3) Gallons of water treated
- (4) Gallons of alum or ferric chloride treatment used
- (5) Calculated pounds of phosphorus removed
- (6) Any performance issues and the corrective action(s), including the date(s) when corrective action(s) were taken

#### b. On-Site Recordkeeping

A record of the following design parameters shall be kept on-site:

- (1) Site-specific jar testing conducted using typical and representative water samples in accordance with ASTM D2035-08 (2003)
- (2) Baseline concentrations of the following parameters in the influent and receiving waters:

- (a) Aluminum or Iron
- (b) Phosphorus

(3) The following system parameters and how each was determined:

- (a) Flocculent settling velocity
- (b) Minimum required retention time
- (c) Rate of diversion of **stormwater** into the system
- (d) The flow rate from the discharge of the outlet structure
- (e) Range of expected dosing rates

#### 4. Treatment System Management

The following site-specific procedures shall be developed and a copy kept on-site:

- a. Procedures for the installation, operation and maintenance of all pumps, generators, control systems, and other equipment
- b. Specific parameters for determining when the solids must be removed from the system and how the solids will be handled and disposed of
- c. Procedures for cleaning up and/or containing a spill of each chemical stored on-site

#### G. Stormwater Pollution Prevention Program (SWPPP) Modification

1. The **Commissioner** may require the **permittee** to modify the **SWPPP** as needed, in accordance with the procedures of Minn. R. 7001, and may consider the following factors:
  - a. Discharges from the small **MS4** are impacting the quality of **receiving waters**.
  - b. More stringent requirements are necessary to comply with state or federal regulations.
  - c. Additional conditions are deemed necessary to comply with the goals and applicable requirements of the Clean Water Act and protect water quality.
2. Modifications that the **permittee** chooses to make to the **SWPPP** document developed under Part II.D, other than modifications authorized in Part III.G.3 below, must be approved by the **Commissioner** in accordance with the procedures of Minn. R. 7001. All requests must be in writing, setting forth schedules for compliance. The request must discuss alternative program modifications, assure compliance with requirements of the permit, and meet other applicable laws.
3. The **SWPPP** document may only be modified by the **permittee** without prior approval of the **Commissioner** provided it is in accordance with a. or b. below, and the **Commissioner** is notified of the modification in the Annual Report for the year the modification is made.
  - a. A **BMP** is added, and none subtracted, from the **SWPPP** document.
  - b. A less effective **BMP** identified in the **SWPPP** document is replaced with a more effective **BMP**. The alternate **BMP** shall address the same, or similar, concerns as the ineffective or failed **BMP**.