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REQUEST FOR COUNCIL ACTION

Meeting Date	June 28, 2023
Agenda Item	Presentation D1
Attachment	Report, Resolution
Submitted By	Jack Linehan, City Administrator

Item	General Obligation Improvement Bond, Series 2023A Pre-Sale
Description	<p>On the April 26, 2023, the City Council awarded the Pavement Management Project (PMP) to Northwest Asphalt, Inc. for the following streets:</p> <ul style="list-style-type: none"> • Holton Street, Larpenteur Avenue to Roselawn Avenue • Albert Street, Ruggles Street to Roselawn Avenue • Sheldon Street, Ruggles Street to Roselawn Avenue • Ruggles Street, Holton Street to Hamline Avenue • Garden Avenue, East Snelling Service Drive to Hamline Avenue • Idaho/Iowa Alleyway <p>The next steps will be to authorize the sale of bonds and set the date of the sale of the bond to be awarded on Wednesday, July 26th at the regular City Council meeting.</p>
Budget Impact	The debt service payments will be accounted for starting in the FY2024 budget.
Attachment(s)	<ul style="list-style-type: none"> • GO Improvement Bond, Series 2023A Pre-Sale Report • Resolution 23-44 Providing for the Sale of \$521,000 General Obligation Improvement Bonds, Series 2023A
Action(s) Requested	Staff would recommend approval of attached resolution, authorizing the sale of bond for the 2023 Pavement Management Project.

June 28, 2023

PRE-SALE REPORT FOR

City of Falcon Heights, Minnesota

**\$521,000 General Obligation Improvement Bonds,
Series 2023A**



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Advisors:

Todd Hagen, Senior Municipal Advisor
Nick Anhut, Senior Municipal Advisor
Keith Dahl, Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$521,000 General Obligation Improvement Bonds, Series 2023A

The City has directed Ehlers to assist in a financing method that is callable on any date without penalty, does not require voter approval and would allow for payments over 5 years.

Purpose:

The proposed issue includes financing with other available funds, for the construction of various street and utility improvements in the City.

Debt service will be paid from special assessments and property taxes.

Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters:

- MS 475 – General Bonding Authority.
- MS 429 – Special Assessment Pledge. This Chapter allows cities to issue debt without a referendum if the City is assessing at least 20% of the project costs.

The Bonds do not count against the Net Debt Limit of 3% of the estimated market value of taxable property in the City.

The City has held the required public hearing and is under the maximum amount of debt limit proscribed in MS 429.

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

Term/Call Feature:

The Bonds are being issued for a term of 5 years. Principal on the Bonds will be due on February 1 in the years 2025 through 2029. Interest is payable every six months beginning August 1, 2024.

The Bonds will be subject to prepayment at the discretion of the City on any date after closing.

Bank Qualification:

Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as “bank qualified” obligations.

Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

Rating:

We recommend selling this issue non-rated as the cost of the rating would not be expected to be offset by the potential lower interest rates resulting from obtaining a rating.

For a larger bond issue or a longer-term bond issue, a rating might broaden the market for the Bonds and result in an overall reduction in interest costs.

Basis for Recommendation:

Based on our knowledge of the City's situation and objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of general obligation bonds with a limited competitive sale as a suitable financing option for the following reasons:

- General obligation bonds provide a straight-forward approach to financing projects identified by the City.
- We expect that the size and term of the issue, with bank qualification, will attract several quality bids based upon similar recent sales in Minnesota.
- The City does not expect to have surplus resources adequate to pay the debt prior to the scheduled maturities.
- This is generally the most overall cost-effective option.

Method of Sale/Placement:

The City will pursue a limited competitive sale approach with an offering document for this bond issue because of its relatively small size and shorter term. The Bonds will be offered to a limited number of local and regional banks. The City will direct Ehlers to distribute the offering document to no less than three banks, identified by the City as having an interest in submitting a bid for this bond issue. The Bonds will be held by the financial institution as a loan in its loan portfolio.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the Bonds will be placed with a financial institution that intends to hold the Bonds to maturity, the Bonds are not considered a security and thus are not subject to the Continuing Disclosure requirements of the Securities and Exchange Commission (SEC).

However, the City may be required to disclose the issuance of the Bonds due to existing Continuing Disclosure undertakings.

The City will also provide its financial statements to the purchaser upon request.

Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations (“Arbitrage Rules”) throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City’s specific arbitrage responsibilities will be detailed in the Nonarbitrage Certificate prepared by your Bond Attorney and provided at closing.

Small Issuer Exception (\$5M or less) - The City expects to qualify for the small issuer exception to arbitrage rebate on the Bonds.

We recommend that the City review its specific responsibilities related to the Bonds with an arbitrage expert to help monitor the exception used above.

Investment of Bond Proceeds:

Ehlers can assist the City in developing a strategy to invest your Bond proceeds until the funds are needed to pay project costs.

Risk Factors:

Special Assessments: We have not assumed any prepaid special assessments and we have assumed that assessments will be levied as projected. If the City receives a significant number of prepaid assessments or does not levy the assessments, it may need to increase the levy portion of the debt service to make up for lower interest earnings than the expected assessment interest rate.

GO Pledge: Because the Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged, if the annual special assessments and property taxes collected are not sufficient to pay the debt service payments, other City funds will need to be used.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or

their role, or if you would like to use a different service provider for any of the listed services, please contact us.

Bond Attorney: Taft Stettinius & Hollister

Paying Agent: City of Falcon Heights

Rating Agency: This issue will not be rated

Summary:

The decisions to be made by the City Council are as follows:

- Accept or modify the finance assumptions described in this report.
- Adopt the resolution attached to this report.

This pre-sale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by City Council:	June 28, 2023
Distribute Request for Proposals to Banks:	Week of July 10 and 17
City Council Meeting to Award Sale of the Bonds:	July 26, 2023
Estimated Closing Date:	August 17, 2023

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Bond Buyer Index
- Resolution Authorizing Ehlers to Proceed with Bond Sale (provided separately)

EHLERS' CONTACTS

Todd Hagen, Senior Municipal Advisor	(651) 697-8508
Nick Anhut, Senior Municipal Advisor	(651) 697-8507
Keith Dahl, Municipal Advisor	(651) 697-8595
Sylvia Johnson, Senior Public Finance Analyst	(651) 697-8580
Alicia Gage, Senior Financial Analyst	(651) 697-8551

City of Falcon Heights, Minnesota

\$521,000 General Obligation Improvement Bonds, Series 2023A
Assumes Current Market BQ Non-Rated Rates plus 50 bps
Local Bank Solicitation

Sources & Uses

Dated 08/17/2023 | Delivered 08/17/2023

Sources Of Funds

Par Amount of Bonds	\$521,000.00
Planned Issuer Equity contribution	800,000.00
Total Sources	\$1,321,000.00

Uses Of Funds

Costs of Issuance	21,000.00
Deposit to Project Construction Fund	1,300,000.00
Total Uses	\$1,321,000.00



City of Falcon Heights, Minnesota

\$521,000 General Obligation Improvement Bonds, Series 2023A

Assumes Current Market BQ Non-Rated Rates plus 50 bps

Local Bank Solicitation

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/17/2023	-	-	-	-	-
08/01/2024	-	-	26,136.83	26,136.83	-
02/01/2025	89,000.00	5.250%	13,676.25	102,676.25	128,813.08
08/01/2025	-	-	11,340.00	11,340.00	-
02/01/2026	104,000.00	5.250%	11,340.00	115,340.00	126,680.00
08/01/2026	-	-	8,610.00	8,610.00	-
02/01/2027	107,000.00	5.250%	8,610.00	115,610.00	124,220.00
08/01/2027	-	-	5,801.25	5,801.25	-
02/01/2028	109,000.00	5.250%	5,801.25	114,801.25	120,602.50
08/01/2028	-	-	2,940.00	2,940.00	-
02/01/2029	112,000.00	5.250%	2,940.00	114,940.00	117,880.00
Total	\$521,000.00	-	\$97,195.58	\$618,195.58	-

Yield Statistics

Bond Year Dollars	\$1,851.34
Average Life	3.553 Years
Average Coupon	5.2499998%
Net Interest Cost (NIC)	5.2499998%
True Interest Cost (TIC)	5.2320244%
Bond Yield for Arbitrage Purposes	5.2320244%
All Inclusive Cost (AIC)	6.5372758%

IRS Form 8038

Net Interest Cost	5.2499998%
Weighted Average Maturity	3.553 Years

City of Falcon Heights, Minnesota

\$521,000 General Obligation Improvement Bonds, Series 2023A

Assumes Current Market BQ Non-Rated Rates plus 50 bps

Local Bank Solicitation

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% of Total	Assessments	Levy/(Surplus)
02/01/2024	-	-	-	-	-	-	-
02/01/2025	89,000.00	5.250%	39,813.08	128,813.08	135,253.73	67,907.40	67,346.33
02/01/2026	104,000.00	5.250%	22,680.00	126,680.00	133,014.00	65,053.33	67,960.67
02/01/2027	107,000.00	5.250%	17,220.00	124,220.00	130,431.00	62,199.25	68,231.75
02/01/2028	109,000.00	5.250%	11,602.50	120,602.50	126,632.63	59,345.17	67,287.46
02/01/2029	112,000.00	5.250%	5,880.00	117,880.00	123,774.00	56,491.09	67,282.91
02/01/2030	-	-	-	-	-	53,637.01	(53,637.01)
02/01/2031	-	-	-	-	-	50,782.93	(50,782.93)
02/01/2032	-	-	-	-	-	47,928.84	(47,928.84)
02/01/2033	-	-	-	-	-	45,074.76	(45,074.76)
02/01/2034	-	-	-	-	-	42,220.68	(42,220.68)
Total	\$521,000.00	-	\$97,195.58	\$618,195.58	\$649,105.36	\$550,640.46	\$98,464.90

Significant Dates

Dated	8/17/2023
First Coupon Date	8/01/2024

Yield Statistics

Bond Year Dollars	\$1,851.34
Average Life	3.553 Years
Average Coupon	5.2499998%
Net Interest Cost (NIC)	5.2499998%
True Interest Cost (TIC)	5.2320244%
Bond Yield for Arbitrage Purposes	5.2320244%
All Inclusive Cost (AIC)	6.5372758%

City of Falcon Heights, Minnesota

\$393,666 General Obligation Improvement Bonds, Series 2023A

Assessments

2.00% over TIC - Equal Principal

Assessments

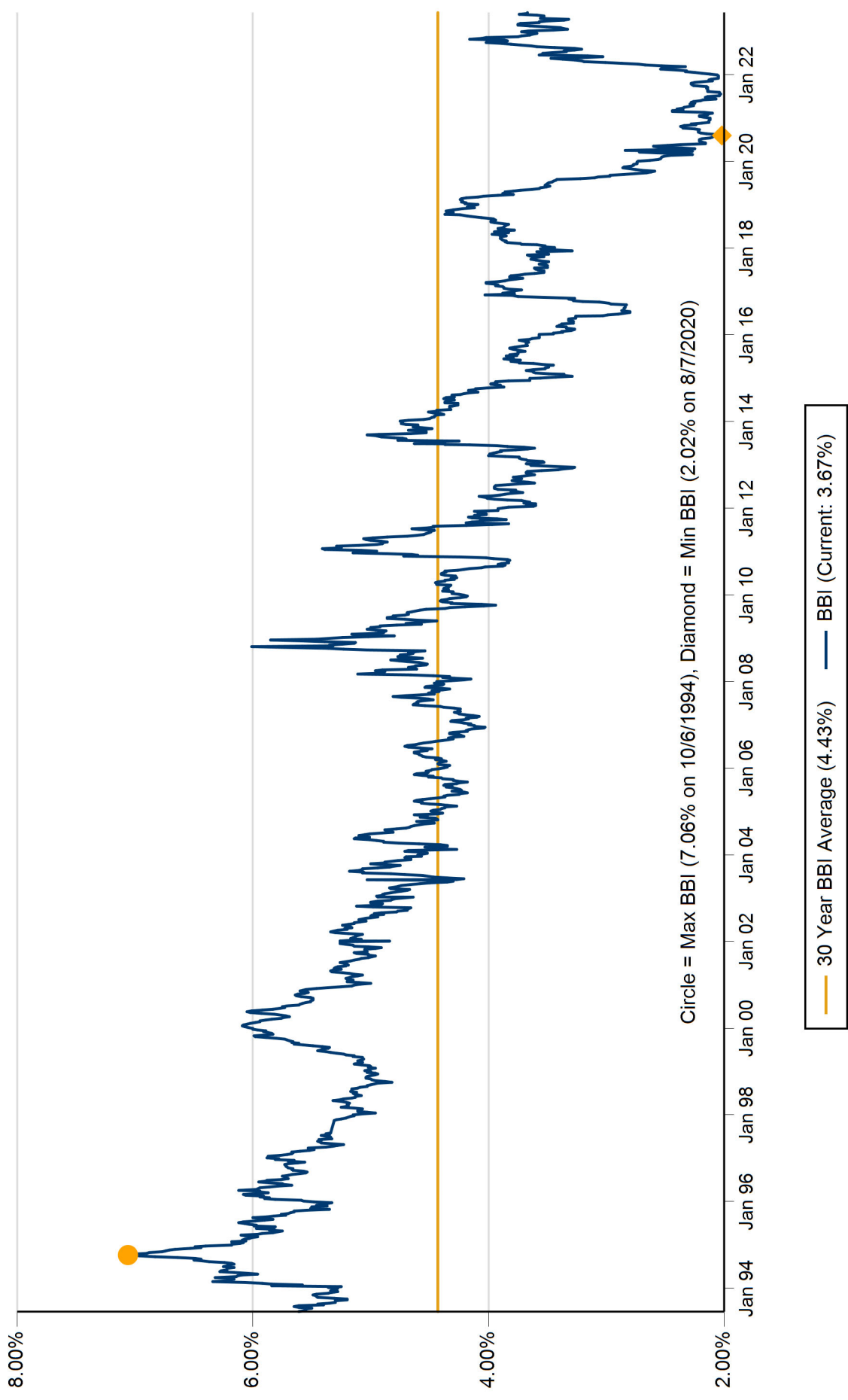
Date	Principal	Coupon	Interest	Total P+I
12/31/2024	39,366.61	7.250%	28,540.79	67,907.40
12/31/2025	39,366.61	7.250%	25,686.72	65,053.33
12/31/2026	39,366.61	7.250%	22,832.64	62,199.25
12/31/2027	39,366.61	7.250%	19,978.56	59,345.17
12/31/2028	39,366.61	7.250%	17,124.48	56,491.09
12/31/2029	39,366.61	7.250%	14,270.40	53,637.01
12/31/2030	39,366.61	7.250%	11,416.32	50,782.93
12/31/2031	39,366.60	7.250%	8,562.24	47,928.84
12/31/2032	39,366.60	7.250%	5,708.16	45,074.76
12/31/2033	39,366.60	7.250%	2,854.08	42,220.68
Total	\$393,666.07	-	\$156,974.39	\$550,640.46

Significant Dates

Filing Date	1/01/2024
First Payment Date	12/31/2024

30 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates June, 1993 - June, 2023



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer



**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

June 14, 2023

No. 23-44

**A RESOLUTION PROVIDING FOR THE SALE OF \$521,000 GENERAL OBLIGATION
IMPROVEMENT BONDS, SERIES 2023A**

WHEREAS, the City Council of the City of Falcon Heights, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$521,000 General Obligation Improvement Bonds, Series 2023A (the "Bonds"), to finance with other available funds, for the construction of various street and utility improvements in the City; and

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

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

1. Authorization; Findings. The City Council hereby authorizes Ehlers to assist the City for the sale of the Bonds.
2. Meeting; Proposal Opening. The City Council shall meet at 7:00 p.m. on July 26, 2023, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Offering Document. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an offering document for the Bonds.
4. Intent to Reimburse. The City declares its official intent to reimburse itself for the costs of the improvements from the proceeds of the Bonds.

Moved by:

Approved by: _____

Randy Gustafson
Mayor

GUSTAFSON

In Favor

Attested by:

LEEHY

Jack Linehan

MEYER

Against

City Administrator

WASSENBERG

WEHYEE

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CITY OF FALCON HEIGHTS
Regular Meeting of the City Council
City Hall
2077 West Larpenteur Avenue

MINUTES

Wednesday, June 14, 2023

7:00 p.m.

- A. CALL TO ORDER: 7:02 PM
- B. ROLL CALL: GUSTAFSON_X_ LEEHY_X_ MEYER_X_
WASSENBERG_X_ WEHYEE_X_

STAFF PRESENT: LINEHAN_X_

- C. APPROVAL OF AGENDA

Administrator Linehan notes minor changes to the agenda. The State Fair Task Force Appointments was moved from the Consent Agenda to Policy Items in order to add a resolution and keep them numbered correctly.

Councilmember Wehyee motions to approve the amended agenda; approved 5-0

- D. PRESENTATION

1. Neal Kwong Award - Zach Lindstrom

In honor of Neal's memory, the City of Falcon Heights has the Neal Kwong Youth Citizenship Award presented by the Kwong family. This award is granted annually to one person between the age of 12 and 19, who displays outstanding leadership, volunteerism, or citizenship while making contributions to the Falcon Heights community.

Councilmember Leehy continues, Mr. Gary Kwong would recommend awarding the Neal Kwong Citizenship Award to Zach Lindstrom. Kindness to others and showing this in actions, not just in words, is important to Zach. Zach volunteers his time in an effort to help bring positive change to issues important to him and to benefit his community. He currently serves on the Community Engagement Commission, volunteers at the Bell Museum, will captain his school's debate team this fall, and serves on a social justice group called the Youth Executive Board. Zach wishes to make a positive impact and lead others whenever possible and is a true example of an outstanding Falcon Heights citizen.

Mayor Gustafson reads the Resolution, presents the Award to Zach Lindstrom. Zach thanks the Mayor and Council for the Award and speaks a few words as to why he volunteers.

2. Third Sphere - Diversity and Leadership Training Proposal

Administrator Linehan provides a background to this project. The City is working towards a more inclusive and caring community and recognized the importance of internal training for

staff and Council first and foremost. After researching various options, Third Sphere consulting agency stood out. Dr. Ramón Pastrano and Dr. Jonathan Stuart are here to present their proposal.

Dr. Ramón Pastrano thanks City Council and Staff for the opportunity to present.

Dr. Jonathan Stuart introduces himself through Zoom, he was a long-term Falcon Heights resident and used to be a volunteer Fire Fighter. Dr. Jonathan Stuart currently resides in St. Paul and teaches at the University of Minnesota. Together with Dr. Ramón Pastrano, they have worked with numerous organizations in the sphere of cultural competence.

Dr. Ramón Pastrano is originally from the Dominican Republic and moved to Minnesota over 30 years ago, where he worked as a Naval officer and for a pharmaceutical company. Dr. Ramón Pastrano and Dr. Jonathan Stuart have worked with Fortune 100 companies, major Minnesota sports teams and other cities, such as Las Vegas, Forest Lake and Minneapolis. They help organizations create a more inclusive community by having them look at themselves first and work from the inside outwards. Dr. Ramón Pastrano continues that everyone has differences and similarities and they look at the idea of cultural competence which accounts for these differences and similarities. Understanding ourselves first is the key to understanding how to work with others. Our own experiences shape our values, beliefs, feelings, and worldview, which then becomes the lense through which people make decisions around the world. Helping leaders understand this process, helps them make better decisions. Dr. Ramón Pastrano explains that everyone filters information differently. The first step they do with organizations they work with, is help develop a vocabulary and creating shared meanings. Dr. Ramón Pastrano defines the terms diversity (the who), inclusion (the what), equity (the skill) and intercultural competence (the how). The goal is to understand and to develop the skills and abilities needed to navigate and adapt without losing yourself, rather to broaden your own perspective. When we do those four things right, people feel like they belong. The first phase encompasses the Intercultural Development Inventory (IDI) and this tool is used to increase one's intercultural competence. The second phase is helping understand what is the current culture and how can that culture be strengthened and more inclusive.

Councilmember Wassenberg looks forward to the IDI and help learn more about himself.

Dr. Ramón Pastrano adds it's one of many tools, activities and experiences that are part of the whole process.

Councilmember Wehyee asks how Third Sphere's approach sets themselves apart from other approaches.

Dr. Ramón Pastrano answers, that their approach does not include guilt, shame or blame as this does not help transform people. Second, their organization uses the neuroscience and psychology behind it, helping people understand how the brain functions and why it operates the way it does. Instead of making people look at it from a deficit standpoint, they're making people look at it from an equitable standpoint. He continues that they look for the root cause of the problem.

Councilmember Leehy comments, she appreciates Dr. Ramón Pastrano speaking of these building blocks as tools as well as the addition of personal coaching. It's much more effective this way, then just going through the IDI and receiving the report to read individually.

Dr. Ramón Pastrano agrees. He explains that as part of the IDI, participants take an online inventory, then there is a group presentation and then participants spend 45-60 minutes in

one on ones with Third Sphere's coaches reflecting on their report and setting up an Intercultural Development Plan (IDP).

Councilmember Meyer asks what the phases are after phase two.

Dr. Ramón Pastrano answers that phase two could look different for each organization as this phase is based on the outcome of phase one. This phase helps understand how to work together now that everyone in the organization knows who they are. During this phase, organizations can reflect on what is working well and what is not working well and what will this look like in the future. This phase also allows organizations to connect with their community and invite them in.

Dr. Jonathan Stuart adds that phase three is open and is not yet finalized for the City of Falcon Heights.

Mayor Gustafson thanks Dr. Jonathan Stuart and Dr. Ramón Pastrano for the presentation and asks Council for comments.

Councilmember Leehy comments that today is historical for Falcon Heights. The City is putting action to words that they have been speaking towards for several years. She believes with the assistance of Third Sphere we will be able to get on track with creating a more inclusive community and creating a sense of belonging like Dr. Ramón Pastrano stated.

Councilmember Meyer motions to pass Resolution 23-39 to approve the proposal by Third Sphere; approved 5-0

3. Juneteenth Proclamation / Holiday Change to Personnel Policy

Administrator Linehan explains this proclamation and the Holiday Change is a follow up from last week's City Council workshop discussion. City Council directed City Staff to include the Juneteenth Holiday in the Personnel Policy. Administrator Linehan introduces Administrative and Inclusion Intern Fredi Ponce Parra and thanks him for the work on this Proclamation, the CROWN Act, the Third Sphere proposal and his assistance with the 2024 State Bonding Request.

Councilmember Wassenberg reads Resolution 23-40, proclaiming June 19th as Juneteenth day - an official city holiday, into the record.

Councilmember Wehyee comments that he feels privileged to have the opportunity to vote on this important piece of legislation. It's an accomplishment he would look back on proudly.

Councilmember Meyer comments he was reflecting back on Juneteenth and trying to remember hearing about this Holiday and it was kind of glossed over in history class. Juneteenth is special as it underscores that it was a long fight and not something that happened overnight. He is very excited to see this Holiday become a City Holiday a year sooner than required.

Councilmember Leehy expresses her gratitude to her colleagues being in favor of this and taking the steps for this day to be acknowledged and placed into official manuals as Juneteenth. She shares a poem she wrote back in 2017, reflecting on Juneteenth.

Councilmember Leehy motions to pass Resolution 23-40, Proclaiming June 19th as Juneteenth day - an official city holiday; approved 5-0

4. CROWN Act Personnel Policy Amendment

Administrative and Inclusion Intern Ponce Parra introduces the CROWN Act, which stands for "Creating a Respectful and Open World for Natural Hair", which bans racial discrimination based on hair. This resolution would authorize the City Administrator to amend the Personnel Policy to include racial discrimination based on hair.

Councilmember Leehy comments that the CROWN Act is needed to ban racial discrimination based on hair, for example, interns were told to wear their hair straight if they plan to succeed in the corporate world. Processing hair has also caused chronic health issues, tumors and even death. Councilmember Leehy adds she is very much in favor of moving this forward and having this CROWN Act added to the personnel policy.

Mayor Gustafson reads Resolution 23-41, amending the personnel policy to include requirements by the CROWN Act, into the record.

Councilmember Leehy motions to pass Resolution 23-41, amending the Personnel Policy to include requirements by The CROWN Act; approved 5-0

E. APPROVAL OF MINUTES:

1. May 24, 2023 Regular Meeting Minutes
2. June 7, 2023 Workshop Meeting Minutes

Councilmember Wehyee motions to approve the meeting minutes; approved 5-0

F. PUBLIC HEARINGS:

G. CONSENT AGENDA:

1. General Disbursements through 6/7/23: \$111,428.07
Payroll through 5/31/23: \$19,992.20
Wire Payments through 5/31/23: \$12,459.09
2. Amendment to City Administrator Contract Agreement
3. Safe Step LLC Saw-cutting Proposal
4. ~~State Fair Task Force Appointments~~

Councilmember Meyer motions to approve the consent agenda; approved 5-0

Mayor Gustafson comments on agenda item G2. Amendment to City Administrator Contract Agreement and summarizes the conclusions of the closed session that took place at the last City Council Meeting on May 24, 2023. The City Council is very pleased with the first year of Administrator Linehan and the work he has been doing.

Councilmember Wehyee adds it has been a pleasure seeing Administrator Linehan grow into his role as the leader of our City. He is also impressed by his institutional knowledge.

H: POLICY ITEMS:

1. Tree Trimming Budget Increase

Mayor Gustafson states that since the pandemic and due to other factors, the City trees have been somewhat neglected and need trimming. The contractor, Upper Cut Tree Services, has trimmed all street and right-of-way obstructions prior to the start of the 2023 PMP Project and the City already spent what was originally budgeted for tree trimming. Each tree needs 360-degree trimming. To complete this, Interim Public Works Director Callahan is requesting to increase the funds in order to complete this.

Administrator Linehan explains the City budgeted \$30,000 for tree trimming for 2023. Annually, the City rotates through the neighborhoods in which it has the contractor trim trees. In 2022, the City spent \$0 on tree trimming due to Upper Cut being unable to start work before the end of the year. This factor, along with the COVID-19 pandemic, halted tree trimming and the City must now catch up. It was determined by Uppercut and resident demand that significantly more trimming is needed than what was budgeted for.

Mayor Gustafson adds that funds are available in the General Fund through our projected surplus.

Councilmember Leehy motions
to approve the tree trimming budget increase; approved 5-0

2. 2024 State Bonding Request Application- Community Park

Administrator Linehan explains this policy item is an authorization request for City Staff to apply for the 2024 State Bonding Cycle in the amount of \$1,000,000. Funds will be used for necessary replacements and renovations of Community Park. The City had applied in 2022, but the bonding bill was not approved. The City did not apply in 2023, because it didn't officially own Community Park yet. In 2023, staff identified ways to fund the park building and still believes State Bonding is an appropriate use of funds and therefore wants to apply for State Bonding. Additionally, the City applied for the Minnesota Outdoor Recreation Grant Program.

Councilmember Wassenberg wants to clarify if this State Bonding request is a debt taken on by the state and funds are provided to the City of Falcon Heights like a grant and it's not a debt taken on by the City. He also asks if there are any matching requirements or other obligations.

Administrator Linehan answers that it is a debt taken on by the state, but there is a matching requirement. As part of the application, the City has to show how much the project is estimated to cost and what percentage we are asking the state to provide.

Councilmember Wehyee motions to pass Resolution 23-42,
to submit the proposed Bonding Request
for Community Park; approved 5-0

3. State Fair Task Force Appointments

Administrator Linehan clarifies staff noticed that with the appointment of the State Task Force it would be appropriate to have a resolution, therefore the item was moved from the Consent Agenda to Policy Items as mentioned earlier in the meeting. At the June 7th City Council Workshop, the City Council has recommended appointing all of the interested members. The Task Force is scheduled to meet the first and third Thursday of each month at 6:30, starting June 15th. Following the State Fair, the Task Force would meet monthly through

its scheduled sunset date of December 31st or whenever final recommendations are made to the City Council.

Mayor Gustafson appreciates the patience of the applicants, while the City was waiting to receive more applications. He reads Resolution 23-43, appointing the State Fair Policies and Procedures Review Task Force, into the record.

Councilmember Leehy extends her gratitude to each community member for stepping up and participating in this much needed Task Force.

Councilmember Meyer motions to pass Resolution 23-43, appointing the State Fair Policies and Procedures Review Task Force; approved 5-0

I. INFORMATION/ANNOUNCEMENTS:

Councilmember Wassenberg appreciates the Parks & Recreation Commission along with the Community Engagement Commission moving forward with their planning of the Ice Cream Social Event on July, 20 and has no further announcements.

Councilmember Leehy is very grateful and happy for the items that were voted on today.

Councilmember Meyer had a great time at the Spring Together event and is looking forward to the upcoming City events. He adds for everyone to take the Air Quality alerts seriously.

Councilmember Wehyee was present at the Parks & Recreation Commission and Community Engagement Commission joint meeting.

Mayor Gustafson informs he was present at the 2023 PMP Neighborhood meeting, during which the construction schedule was presented. Residents can sign up on the website for updates to stay informed. Construction is scheduled to be completed before the start of the State Fair. There was also a small neighborhood meeting, where residents were able to look at sketches of a potential proposal to replace the vacant "Get Pressed" lot. Nothing is official yet; the developer was able to hear where their proposal may need some changes prior to submitting an official application to the Planning Commission. Night to Unite will take place on August, 1. Residents can register to have deputies from the Ramsey County Sheriff's Office visit their block party, registration closes on July, 14. More information can be found on the City of Falcon Height's website. Lastly, Mayor Gustafson will be attending the League of Minnesota Cities Conference in Duluth next week.

Administrator Linehan informs everyone of a Juneteenth Celebration on June, 17 at Central Park in Roseville, which is being organized by Do Good Roseville and the City of Roseville. On June 5th, the Parks & Rec Commission and the CEC had their joint meeting during which they recapped Spring Together, discussed Ice Cream Social, Fall Programming, amending the calendar and a Fitness Court Grant proposal. He also notes that 2023 PMP starts next week, the specific streets impacted and the construction schedule are listed on our website as well as on Roseville's website. Next week the contractor will start by reclaiming Garden Ave. with a grinder machine, taking off the top layer of the pavement. There is also some small utility work, but the goal is to keep access to driveways and the roads open the majority of the time. Permeable Pavers will be used to pave Ruggles Pathway. The City used resident input to choose the color of the pavers. The contractor has to be done on August 18th, prior to the State Fair. If they are not done by then, there will be escalation penalties. All parties are confident that they will be done by the State Fair. For Public Works, Upper Cut will continue tree trimming in the Northeast Quadrant. Public Works is also doing sidewalk panel replacements. Administrator Linehan would like to put Restoration, which is on July 6th at the Peace Garden and Unity Day, which is on July 7th in front of City Hall on people's

calendar. Back to the fifties is June 23rd through the 25th at the Fairgrounds. The City will be putting up additional temporary no parking signs along the Snelling Service Drive. The Planning Commission will have their meeting on June 27th, during which they will have an informal sketch review of the proposal for 1407 Larpenteur Ave. Administrator Linehan stresses, no action is happening during this meeting. Lastly, he thanks the Council for their kind words, contract modification and allowing him to run the day-to-day operations of the City. He truly enjoys working for the City.

Councilmember Wehyee notes the next Community Engagement Commission meeting will take place on July, 17.

J. COMMUNITY FORUM:

Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification, but no council action or discussion will be held on these items.

K. ADJOURNMENT: 8:54 PM

Councilmember Wehyee motions to adjourn the meeting; approved 5-0

Randall C. Gustafson, Mayor

Dated this 14th day of June, 2023

Jack Linehan, City Administrator

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-----ID-----				GROSS	P.O. #			
POST DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION		
01	75	BHE COMMUNITY SOLAR, LLC						
I-11809500		Solar Garden Elect April	1,124.80					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		Solar Garden Elect April		101 4137-85025-000	SOLAR ELECTRIC	1,124.80		
		=== VENDOR TOTALS ===	1,124.80					
01-03110		CENTURY LINK						
I-202306128531		June Landlines -Sanitary Sewe	73.55					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		June Landlines -Sanitary Sewer		601 4601-85011-000	TELEPHONE - LANDLINE	73.55		
		=== VENDOR TOTALS ===	73.55					
01-05886		KELLY & LEMMONS						
I-60842		March/April/May Prosecutions	7,500.00					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		March/April/May Prosecutions		101 4123-80200-000	LEGAL FEES	7,500.00		
		=== VENDOR TOTALS ===	7,500.00					
01-05440		LOFFLER COMPANIES, INC						
I-4379498		Copier - May	164.14					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		Copier - May		101 4112-87000-000	REPAIR OFFICE EQUIPMENT	164.14		
		=== VENDOR TOTALS ===	164.14					
01-05273		MN PUBLIC EMPLOYEES INSURANCE						
I-91729		July Health Insurance Payment	8,725.11					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		July Health Insurance Payment		101 4112-89000-000	MISCELLANEOUS	8,725.11		
		=== VENDOR TOTALS ===	8,725.11					
01-06030		OLSON,ROLAND						
I-202306128532		Flex Payment	25.99					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		Flex Payment		101 21712-000	MEDICAL FLEX SAVINGS PAY	21.57		
		Flex Payment		601 21712-000	MEDICAL FLEX SAVINGS PAY	3.90		
		Flex Payment		602 21712-000	MEDICAL FLEX SAVINGS PAY	0.52		
		=== VENDOR TOTALS ===	25.99					

PACKET: 02817 June 12 Payables
VENDOR SET: 01 City of Falcon Heights
SEQUENCE : ALPHABETIC
DUE TO/FROM ACCOUNTS SUPPRESSED

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POST DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----			DISTRIBUTION
01-0112	PIONEER PRESS							
I-523572540		May Legals	56.84					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		May Legals		101 4111-70410-000	LEGAL NOTICES			56.84
		=== VENDOR TOTALS ===	56.84					
01-06184	RAMSEY COUNTY - POLICE AND 911							
I-EMCOM-010900		May CAD Services	368.76					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		May CAD Services		101 4122-81200-000	911 DISPATCH FEES			368.76
I-EMCOM-010916		May 911 Dispatch Services	2,268.88					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		May 911 Dispatch Services		101 4122-81200-000	911 DISPATCH FEES			2,268.88
I-SHRFL-002154		June Law Enforcement Svc	109,405.81					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		June Law Enforcement Svc		101 4122-81000-000	POLICE SERVICES			109,405.81
		=== VENDOR TOTALS ===	112,043.45					
01-06930	U.S. POSTMASTER							
I-202306128534		10 Rolls of Stamps	630.00					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		10 Rolls of Stamps		101 4112-70500-000	POSTAGE			630.00
		=== VENDOR TOTALS ===	630.00					
01-07069	VIKING AUTOMATIC SPRINKLER COM							
I-25-F281854		Sprinkler Inspection & Repair	1,050.00					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		Sprinkler Inspection & Repair		101 4131-87010-000	CITY HALL MAINTENANCE			1,050.00
		=== VENDOR TOTALS ===	1,050.00					
01-05870	XCEL ENERGY							
I-202306128533		Elect	43.12					
6/12/2023	APBNK	DUE: 6/12/2023 DISC: 6/12/2023		1099: N				
		Elect		209 4209-85020-000	STREET LIGHTING POWER			16.73
		Elect		209 4209-85020-000	STREET LIGHTING POWER			26.39
		=== VENDOR TOTALS ===	43.12					
		=== PACKET TOTALS ===	131,437.00					

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01-0055							AMERICAN OFFICE PRODUCTS
I-6871	6/14/2023	APBNK	312.00	1099: N			Business Cards for 2 People
				101 4112-70100-000	SUPPLIES		312.00
							Business Cards for 2 People
							=== VENDOR TOTALS ===
			312.00				
01-03001							CAMPBELL KNOTSON
I-307	6/14/2023	APBNK	2,183.10	1099: Y			Legal Matters
				101 4114-80200-000	LEGAL FEES		2,046.30
				426 4426-81900-000	PROFESSIONAL/ATTORNEY SV		136.80
							May General Legal Matters
							May Molnau Legal Matters
							=== VENDOR TOTALS ===
			2,183.10				
01-03110							CENTURY LINK
I-202306148535	6/14/2023	APBNK	63.53	1099: N			Landline Svc June
				101 4141-85011-000	TELEPHONE - LANDLINE		63.53
							Landline Svc June
							=== VENDOR TOTALS ===
			63.53				
01-03123							CINTAS CORPORATION
I-202306148536	6/14/2023	APBNK	114.90	1099: N			Floor Mats Svc 5/3 & 5/17
				101 4131-87010-000	CITY HALL MAINTENANCE		114.90
							Floor Mats Svc 5/3 & 5/17
							=== VENDOR TOTALS ===
			114.90				
01-005							LINEHAN, JACK
I-202306148537	6/14/2023	APBNK	2,083.30	1099: N			Flex Reimbursement
				101 21711-000	DEPENDENT CARE FLEX PAYA		1,833.30
				206 21711-000	DEPENDENT CARE FLEX PAYA		104.17
				601 21711-000	DEPENDENT CARE FLEX PAYA		83.33
				602 21711-000	DEPENDENT CARE FLEX PAYA		62.50
							Flex Reimbursement
							Flex Reimbursement
							Flex Reimbursement
							Flex Reimbursement
							=== VENDOR TOTALS ===
			2,083.30				

PACKET: 02819 June 14 Payables
 VENDOR SET: 01 City of Falcon Heights
 SEQUENCE : ALPHABETIC
 DUE TO/FROM ACCOUNTS SUPPRESSED

-----ID-----			GROSS	P.O. #		
POST DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION
01	01	SAMS CLUB MC/SYNCB				
<hr/>						
I-202306148538		SAMS CLUB MC/SYNCB	476.48			
6/14/2023	APBNK	DUE: 6/14/2023 DISC: 6/14/2023		1099: N		
		Zoom Virtual		101 4116-85040-000	VIRTUAL COMMUNICATIONS	221.19
		Pioneer Press Paper		101 4131-70110-000	SUPPLIES	60.80
		Water for Spring Together		101 4116-89010-000	SPECIAL EVENTS	21.45
		Labels		101 4112-70100-000	SUPPLIES	9.99
		Meta Ad for Spring Together		101 4116-89010-000	SPECIAL EVENTS	10.00
		Material Testing Contract Ship		429 4429-92450-000	2023 STREET PROJECT	9.65
		Safety Clothing		101 4132-77000-000	CLOTHING	79.96
		Frames and Toner Cartridge		101 4112-70100-000	SUPPLIES	63.44
		=== VENDOR TOTALS ===	476.48			
		=== PACKET TOTALS ===	5,233.31			

-----ID-----				GROSS	P.O. #			
POST DATE	BANK CODE	-----DESCRIPTION-----		DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----		DISTRIBUTION
01 24		ON SITE SANITATION						
I-1547757		Portable Toilets/Sanitizers		87.00				
6/16/2023	APBNK	DUE: 6/16/2023 DISC: 6/16/2023			1099: N			
		Portable Toilets/Sanitizers			601 4601-85080-000	PORTABLE TOILET PARKS		87.00
I-1547758		Portable Toilets/Sanitizers		260.00				
6/16/2023	APBNK	DUE: 6/16/2023 DISC: 6/16/2023			1099: N			
		Portable Toilets/Sanitizers			601 4601-85080-000	PORTABLE TOILET PARKS		260.00
		=== VENDOR TOTALS ===		347.00				
01-05914		SIMONS, DAVID						
I-202306168539		Reimbursement for Work Boots		95.99				
6/16/2023	APBNK	DUE: 6/16/2023 DISC: 6/16/2023			1099: N			
		Reimbursement for Work Boots			101 4132-77000-000	CLOTHING		95.99
		=== VENDOR TOTALS ===		95.99				
01-05870		XCEL ENERGY						
I-202306168540		Elect		2,599.29				
6/16/2023	APBNK	DUE: 6/16/2023 DISC: 6/16/2023			1099: N			
		Elect			101 4121-85020-000	ELECTRIC		35.79
		Gas			101 4131-85030-000	NATURAL GAS		73.71
		Elect			101 4141-85020-000	ELECTRIC/GAS		31.76
		Elect			101 4141-85020-000	ELECTRIC/GAS		3.13
		Elect			209 4209-85020-000	STREET LIGHTING POWER		16.73
		Elect			209 4209-85020-000	STREET LIGHTING POWER		6.10
		Elect			209 4209-85020-000	STREET LIGHTING POWER		18.51
		Elect			209 4209-85020-000	STREET LIGHTING POWER		2,247.66
		Elect			209 4209-85020-000	STREET LIGHTING POWER		2.89
		Elect			209 4209-85020-000	STREET LIGHTING POWER		68.16
		Elect			209 4209-85020-000	STREET LIGHTING POWER		20.30
		Elect			209 4209-85020-000	STREET LIGHTING POWER		74.55
		=== VENDOR TOTALS ===		2,599.29				
		=== PACKET TOTALS ===		3,042.28				

-----ID-----			GROSS	P.O. #			
DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----		DISTRIBUTION
=====							
01-05103	CANON FINANCIAL SERVICES						
I-30657079		Copier Contract June	122.39				
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N			
		Copier Contract June		101 4131-87010-000	CITY HALL MAINTENANCE		122.39
=== VENDOR TOTALS ===			122.39				
=====							
01-05856	LINEHAN, JACK						
I-202306218541		Flex Reimbursement	197.70				
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N			
		Flex Reimbursement		101 21711-000	DEPENDENT CARE FLEX PAYA		173.98
		Flex Reimbursement		206 21711-000	DEPENDENT CARE FLEX PAYA		9.89
		Flex Reimbursement		601 21711-000	DEPENDENT CARE FLEX PAYA		7.91
		Flex Reimbursement		602 21711-000	DEPENDENT CARE FLEX PAYA		5.92
=== VENDOR TOTALS ===			197.70				
=====							
01-05884	LYNCH, HANNAH						
I-202306218542		Mileage Reimbursement	71.40				
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N			
		Mileage Reimbursement		101 4117-86010-000	MILEAGE		71.40
=== VENDOR TOTALS ===			71.40				
=====							
01-05870	XCEL ENERGY						
I-202306218543		Elect	50.48				
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N			
		Elect		101 4141-85020-000	ELECTRIC/GAS		33.75
		Elect		209 4209-85020-000	STREET LIGHTING POWER		16.73
=== VENDOR TOTALS ===			50.48				
=== PACKET TOTALS ===			441.97				

PACKET: 02825 June 21 Payables

VENDOR SET: 01 City of Falcon Heights

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

-----ID-----			GROSS	P.O. #		
ST DATE	BANK CODE	-----DESCRIPTION-----	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION
01-1187	RAMSEY COUNTY					
I-202306218544		Notary Fee	20.00			
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N		
		Ramsey County Notary Fee		101 4112-89000-000	MISCELLANEOUS	20.00
		=== VENDOR TOTALS ===	20.00			
01-05752	UNIVERSAL TRUCK SERVICE LLC					
I-82512		Tire Repair	790.03			
6/21/2023	APBNK	DUE: 6/21/2023 DISC: 6/21/2023		1099: N		
		Tire Repair		101 4132-87000-000	REPAIR EQUIPMENT	790.03
		=== VENDOR TOTALS ===	790.03			
		=== PACKET TOTALS ===	810.03			

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The City That Soars!

REQUEST FOR COUNCIL ACTION

Meeting Date	June 28, 2023
Agenda Item	Policy H1
Attachments	Map, Resolution 23-45
Submitted By	Jack Linehan, City Administrator

Item	Extension of No State Fair Parking on Water Side for All of Northeast Quadrant
Description	<p>At the first State Fair Task Force (SFTF) meeting, the SFTF discussed a variety of issues including parking. One parking issue that was brought up was the importance of maintaining parking only on one side of impacted areas, as it can be difficult if not impossible to get emergency vehicles down a street that is parked down both sides. Additionally, the side for allowed parking is the non-water side to allow firefighting crews access to hydrants without risking blockage from vehicles.</p> <p>This led to the review of last year’s Resolution 22-40, which temporarily prohibited parking on Albert Street north of Larpenteur and south of Garden Avenue. It was discussed that there were other streets in the northeast quadrant similarly impacted.</p> <p>The SFTF made a motion that was approved unanimously to recommend to the City Council that the following streets be added to the one-sided parking restrictions during the State Fair:</p> <ul style="list-style-type: none"> • Simpson Street, north of Ruggles Street and south of Roselawn Avenue • Pascal Street, north of Ruggles Street and south of Roselawn Avenue • Holton Street, north of Garden Avenue and south of Roselawn Avenue • Albert Street, north of Ruggles Street and south of Roselawn Avenue • Sheldon Street, north of Ruggles Street and south of Roselawn Avenue • Garden Avenue, east of Pascal Street and west of Hamline Avenue <p>With Garden Avenue’s redesign, it will only have parking available on the water side of the street. As such, there would effectively be no parking on Garden Avenue during the State Fair.</p>
Budget Impact	N/A
Attachment(s)	<ul style="list-style-type: none"> • State Fair Parking Map (current) • Resolution 23-45 Prohibiting State Fair Parking on the Water Side of Streets in the Northeast Quadrant
Action(s) Requested	Approve the attached resolution restricting parking on the water side of streets as identified in the Northeast Quadrant neighborhood during the State Fair.

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

June 28, 2023

No. 23-XX

**RESOLUTION PROHIBITING PARKING ON THE WATER SIDE CERTAIN
STREETS IN THE NORTHEAST QUADRANT AREA DURING THE MINNESOTA
STATE FAIR**

WHEREAS, the State Fair Task Force was appointed by the City Council on June 14th to make recommendations regarding the cities policies surrounding the stat fair; and

WHEREAS, the State Fair Task Force reviewed parking issues during the June 15th meeting; and

WHEREAS, it was determined that restricting parking to only one side on roads impacted by the State Fair is essential to preserving the life safety of our community to allow for appropriate emergency response; and

WHEREAS, parking in the Northeast Quadrant is continued to be impacted by the growth of the State Fair.

NOW THEREFORE BE IT RESOLVED by, the City Council of the City of Falcon Heights, that parking is hereby prohibited on the water side of the following streets during the period of the Minnesota State Fair:

- Simpson Street, north of Ruggles Street and south of Roselawn Avenue
- Pascal Street, north of Ruggles Street and south of Roselawn Avenue
- Holton Street, north of Garden Avenue and south of Roselawn Avenue
- Albert Street, north of Ruggles Street and south of Roselawn Avenue
- Sheldon Street, north of Ruggles Street and south of Roselawn Avenue
- Garden Avenue, east of Pascal Street and west of Hamline Avenue

Moved by:

Approved by: _____
Randall C. Gustafson
Mayor

GUSTAFSON ___ In Favor
MEYER
LEEHY ___ Against
WASSENBERG
WEHYEE

Attested by: _____
Jack Linehan
City Administrator

