



CITY OF CORCORAN
City Council Meeting Minutes
January 26, 2023 - 7:00 pm

The Corcoran City Council met on January 26, 2023, in Corcoran, Minnesota. The City Council meeting was held in person and the public was present in person and remotely through electronic means using the audio and video conferencing platform Zoom.

Mayor McKee, Councilor Bottema, Councilor Nichols, Councilor Schultz, and Councilor Vehrenkamp were present.

City Administrator Beise, City Clerk Friedrich, Planner Davis McKeown, City Planner Lindahl, Public Works Director Mattson, and Director of Public Safety Gottschalk were present.

1. Call to Order/Roll Call

Mayor McKee called the meeting to order at 7:00 pm.

2. Pledge of Allegiance

Mayor McKee invited all in attendance to rise and join in the Pledge of Allegiance.

3. Agenda Approval

City Administrator Beise requested removal of agenda item Minutes 7a., 7b., and 7c. City Administrator Beise noted a minor change to agenda item 8a., Pioneer Trail Industrial Park Resolution, a minor change to 9a.iii., authorization to close on certain property for water tower, a minor revision on 9e., REU Credit Policy. Council requested agenda item 8b., be moved ahead of 8a. Council discussed moving agenda item 10a., to Consent Agenda, however determined leaving item as 10a., as additional Council discussion was necessary.

MOTION: made by Nichols, seconded by Schultz to approve the agenda as amended.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

4. Commission Representatives

Mayor McKee noted Planning Commissioner Lanterman and Parks and Trails Commissioner Strehler were present at the meeting.

5. Open Forum (Public Comment Opportunity)

Mayor McKee invited residents to communicate in-person or telephonically during Open Forum for items not included on the agenda. City Administrator Beise explained the instructions to participate in the meeting via the Zoom video format and reviewed instructions for participation in the meeting through telephone or computer. No residents participated in the public comment opportunity.

6. Presentations/Recognitions

7. Consent Agenda

- a. Memo: 2023-01-12 Draft Council Minutes
- b. Memo: 2023-01-12 Draft Council Work Session Minutes
- c. Memo: 2022-07-14 Draft Council Work Session Minutes
- d. Financial Claims
- e. Construction Hours Review – Annually After Change in 2021
- f. City Center Drive and 79th Place – Mass Grading and Stormwater Improvements – Pay Request 2*
- g. Work Session Topics – Joint Session and Cook Lake Highland PUD Amendments
- h. Vollrath Agricultural Preserve
- i. Test Well #2 - Change Order 1 & Pay Request 3 FINAL
- j. Trail Haven Bridge Replacement – Construction Materials Testing Quote
- k. MNDOT Agency Agreement

I. 2022 Financial Management Plan Adoption

Council request review of agenda item 7e.

MOTION: made by Schultz, seconded by Bottema to approve agenda items 7d., 7f-l., as modified.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

Council discussed observation of construction hours by residents, due to direction to contact 911 for a noise complaint. Planner McKeown noted informing residents to utilize the non-emergency number when there is noise complaint regarding construction, also noting 911 could be utilized and then relaying to dispatcher it is a non-emergency. Council requested information be placed on the website, social media, and newsletter regarding construction noise complaints, and how to file a complaint with a phone number contact. Council and staff discussed including the phone number on future construction signs as well. City Administrator Beise noted the non-emergency phone number is 952-258-5321.

MOTION: made by Schultz, seconded by Bottema to approve agenda item 7e.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

Council noted an issue with the Zoom meeting ID number. City Administrator Beise noted staff would review Zoom meeting ID number and links on the website, and update if necessary.

8. Planning Business (Public Comment Opportunity)

Mayor McKee invited residents to communicate in-person or telephonically during the public comment opportunity for Planning Business items 8a., and 8b. Council reiterated moving item 8b., ahead of item 8a., for discussion. Council noted public comment would be received on item 8b., followed by Council discussion, with item 8a., public comment received and Council discussion, thereafter. City Administrator Beise explained the instructions to participate in the meeting via the Zoom video format and reviewed instructions for participation in the meeting through telephone or computer. Council noted a brief overview of item would be presented, followed by public comment.

City Administrator Beise outlined the accessory structure sketch plan includes a 4,800 sq ft building, and noted code allows for 2,969 sq ft under the current ordinance, noted there is a cost when code is change, and mentioned other alternative options for Council review. Council noted recommendation by Council for applicant to present ideas and share with Council what storage options applicant would like to construct. Mr. Byron approached the podium and reviewed reasons for a larger structure include storing equipment and incorporating solar into the new building roof. Mr. Byron noted question to City Planner Lindahl and Planner McKeown their experience with roof mounted solar panels on accessory structures. Council and staff discussed code allowing for solar panels on primary structures as well as accessory structures. Council noted discussion of calculations of accessory structures, and lack of cities in the immediate area that allow for higher square footage of accessory structures. Council and staff reviewed the last time the code was updated for accessory structure size was after adoption of the last comprehensive plan. Council and staff noted review of a CUP for applicant due to height of accessory structure, noting Council discretion with the 10-acre minimum requirement. Council and staff reviewed available garage space of 1,000 sq ft, prior to determining accessory structure size. Council inquired on structure north of the driveway is being demolished and is approximately 2160 sq ft. Council clarified the applicant is asking Council to consider updating the accessory structure size chart. Council discussed a recent CUP application that included a 7800 sq ft structure and neighborhood feedback on structure on just over 10 acres of property. Council noted allowing a change to the existing system to increase accessory structure square footage would require review of commensurate changes regarding landscaping and possibly new setback requirements. Council reviewed closest neighbor to applicant is 68 yards away, and the accessory structure presented is 60 percent bigger in building size than what is allowed by code, noting height and racking, additional garage space, or a cantilever could be options to consider. Council and staff noted a variance standard would not be satisfied as it is not necessary that the building size has to be 4800 sq ft. Council and staff discussed urban reserve in relation to front yard setbacks and noted the first 1,000 feet of garage space does not count against accessory structure size. Council noted applicant to review height, connection garage to house, cantilever space, and follow up with Council on additional ideas.

a. Accessory Structure Options* (Previously agenda item 8b.)

No residents participated in the public comment of 8a., Accessory Structure Options.

b. Pioneer Trail Industrial Park Preliminary Plat (Previously agenda item 8a.)

Mayor McKee invited residents to communicate in-person or telephonically during the public comment opportunity for Planning Business items 8b., previously agenda item 8a. City Administrator Beise noted in-person comments would be received first, followed by Zoom participants and explained the instructions to instructions for participation in the meeting through telephone or computer.

Kristin Bloomquist, 6330 Pioneer Trail, opined on quiet and peaceful dynamics of the neighborhood will be impacted by the new traffic created by the industrial park. Mr. Bloomquist opined on the increased truck traffic and safety of neighborhood.

Karen Ess, 6225 Pioneer Trail, opined on neighbors at the meeting with concerns but are not comfortable speaking. Ms. Ess referenced the Council work session and opined on lack of berming requirements within the industrial park project. Ms. Ess commented on metal siding, direct view of existing homes regarding the Pella operations building, aesthetics of industrial park related to the surrounding neighborhood properties and noted lack of City infrastructure in the industrial park. Ms. Ess opined on traffic difficulties and public safety.

Council asked for review of project changes incorporated by the applicant from the last Council meeting. City Planner Lindahl noted the draft PUD Resolution 2023-03 does reflect requested changes from previous meeting. City Planner Lindahl clarified public comment regarding metal siding on buildings and noted no metal buildings are being proposed with the current industrial park development. City Planner Lindahl further expanded the insulated Azteca wall panel system for the mini-storage and other future buildings on the north side, does have a metal finish, and noted the zoning ordinance does not allow ribbed metal buildings any longer, and added the Pella building is a tilt up concrete panel which is a permitted use in industrial zoned areas. City Administrator Beise reviewed the revised document included requirements should there be warrants met in the future for a traffic signal. City Planner Lindahl noted the change is included under number 9 and references the present plan not meeting warrants for a traffic signal without the proposed gas station, and reviewed the revision includes the verbiage by City Attorney Thames to include traffic warrants will be evaluated with each phase and if warrants for a signal are met by users in this development during any phase, the applicant and/or the applicant's successors and assigned shall be responsible for the full cost. City Planner Lindahl referenced previous Council changes included the clarification when municipal sewer and water become available, users shall have one year to connect in accordance with City policies and will be subject to all sewer and water trunk line area charges and connection charges at that time; the revised resolution includes the changes to require the street to be shifted up to five feet south to allow additional landscaping and is number 11ex; and a modification which is now 17a., includes revision of wall signs on the northwest and east sides of the building shall not be lit between 9pm and 6am as 11c., and 11d., reflects approval of proof of parking requests made. Council reviewed traffic flow control options, safety, MSA funding, and creative alternatives available from the east of the property. City Administrator Beise noted a resident had raised his hand to speak. City Administrator Beise noted there were technical difficulties with the audio reception in the Council Chambers for Zoom member participants and staff was working a solution. Council and staff discussed septic systems being installed until sewer and water infrastructure is available, and sewer and water trunk fees, septic permits by the Department of Health. Public Works Director Mattson clarified the City does not issue permits for industrial septic systems. Council and staff discussed policy decisions by future Council regarding what would be required to pay connection charges in 20 years once City sewer and water is available. Public Works Director Mattson noted the connection cost is included within the agreement and includes the connection and the trunk line charges. Public Works Director Mattson noted the physical improvement cost of putting the pipe in the public roadway is a future decision that may be an assessment policy and likely will be revised by the time sewer and water come into this area. Council and staff discussed sewer outflow. City Planner Lindahl noted the MET Council has committed to completing a sewer study prior to the 2050 Comprehensive Plan due in 2028, for long-term sewer planning for this area. Council and staff discussed TLAC fee deferment until physical connection, and if the 56 acres would be part of the Southeast plan due to proximity of the system. City Planner Lindahl noted regular pumping schedules for septic systems in Corcoran.

Jack Kirley, 6220 Rolling Hills Road, commented on sending traffic to Rolling Hills Road and does not support the idea and opined semi-trucks should not be allowed to go in that direction.

Council discussed infrastructure and septic systems and noted other businesses in Corcoran also have septic systems given minimal impact for need. Council discussed the traffic and that to obtain a traffic signal, more traffic is necessary which is an impact the neighborhood does not want. Council reviewed other light industrial developments within the City of Corcoran, noting the industrial development could be far worse. Council discussed utilizing signage to assist with traffic. Council discussed straight zoning, setbacks, land elevations, and double row of landscaping added pertaining to project. Council inquired on storage facility gating and applicant noted it would be surveillance monitored. Applicant noted listening to residents' concerns and working with the community. Council discussed light pollution and height of trees. City Planner Lindahl noted Council could establish a minimum standard for tree height. Council and staff discussed spacing of lights on roads, and is a policy decision and is a balance of light and safety. Council noted minimum street lighting with utility set when needed and a requirement for developer to follow City policy and provide more detail at the final plat. City Planner Lindahl noted review streetlight spacing minimums and bring back to Council to adopt a policy or modify specific phases at final plat and PUD. Council reiterated tree height and City Planner Lindahl noted Council could define which areas require a larger minimum size tree such as along Wagon Wheel Drive. Council noted the double row of tree screening could be larger trees. Council reviewed landscaping plan, grading, and shielding. Council noted placing a double row of trees at the highest point of the building to minimize impacts. City Planner Lindahl clarified the location of the double row of taller trees on the west side of lot two. Council and staff discussed tree height of 8-10 foot conifers, along with taller trees of 16 feet incorporated into another project. Council and staff discussed turn lane improvements on Highway 55 and Pioneer Trail. Council questioned if the eastbound traffic also has a turn lane. City Engineer Hedlund noted HWY 55 already has westbound turn lanes into the site and eastbound, noting the majority of improvements will just be located on Pioneer Trail turn lanes exiting onto Highway 55. Council discussed a striped area for an acceleration lane onto Highway 55. Public Works Director Mattson noted the Minnesota Department of Transportation, (MNDOT) would dictate and would need to review and approve. Council and City Planner Lindahl noted landscaping amendment to 11ex, could include adding conifers on the north side of 62nd Avenue, with a minimum of 300 feet from Pioneer Trail behind the Wagon Wheel properties, and on the west side of lot one, block two, and conifers shall be a minimum of 10 feet tall.

MOTION: made by Schultz, seconded by Nichols to modify Resolution 2023-03 condition 11ex, to include adding conifers on the north side of 62nd Avenue, with a minimum 300 feet from Pioneer Trail behind the Wagon Wheel properties, and on the west side of lot one, block two, and conifers shall be a minimum of 10 feet tall.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

Council asked applicant what the Pella building will be and referenced corporate headquarters or a distribution center. Applicant responded the location will be a regional headquarters facility and will act more like a warehouse where product is taken in and distribute locally, not as distribution site, and does not represent semis coming in and going out. Applicant noted the facility is corporate local branch with 10-15 box trucks and a few semi-trucks per day, and 10 service vans that assist with installs and review construction. Council reviewed total number of bays within the facility is 18. City Planner Lindahl added many industrial users will leave the truck in the bay for several days while it is loaded and is more utilized by box trucks, though the bay can accommodate both types of trucks. Council noted the building is not large enough to be a major distribution center and requested staff to obtain additional information regarding the 18 bays, and how many trips come in and out of facility. Applicant noted information provided came directly from Pella, and noted as the applicant, he can confirm information with Pella. Council noted what the property is zoned for and making a decision for a resolution for people in the community.

Rob Norling, 6700 Pioneer Trail, opined the issue of traffic has not yet been resolved, and possibly delaying a decision until further options are reviewed such as moving 62nd further south, widening Pioneer Trail to allow more turn lane, because of the difficulty of accessing Highway 55.

City Engineer Heglund clarified on Pioneer Trail onto Highway 55, there would be a left and right turn lane out onto Highway 55. City Engineer Heglund noted a secondary entrance would not be likely as coexisting entrances.

City Planner Lindahl noted a traffic study was completed not on Pella specifically, but on a building similar, and could generate similar traffic. City Planner Lindahl noted maximizing what could be actual traffic levels, and noted Pella is indicating it to be less, so even if it is more, the traffic level is still within the assumptions.

Council noted options that are available in this area, and it could possibly be worse if the project followed straight code as Council would not have flexibility as with a PUD.

MOTION: made by Schultz, seconded by Bottema to approve Resolution 2023-03 Preliminary Planned Unit Development Plan for “Pioneer Trail Industrial Park” Located at 6120 Pioneer Trail (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 and 32-119-23-43-0006) (City File 22-039) to include 11e.x.1., to include adding conifers on the north side of 62nd Avenue, with a minimum 300 feet from Pioneer Trail behind the Wagon Wheel properties, and on the west side of lot one, block two, and conifers shall be a minimum of 10 feet tall.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

MOTION: made by Schultz, seconded by Nichols to adopt Ordinance 2023-477 Approving Pioneer Trail Industrial Park Rezoning (City File 22-039).

MOTION: made by Schultz, seconded by Nichols to approve Resolution 2023-02 Findings of Fact for Rezoning the Properties Located at 6210 Pioneer Trail (PID 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005 and 32-119-23-43-0006) (City File 22-039).

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

MOTION: made by Schultz, seconded by Nichols to approve Resolution 2023-04 Preliminary Plat for “Pioneer Trail Industrial Park” Located at 6210 Pioneer Trail (PIC 32-119-23-34-0013, 32-119-23-34-0007, 32-119-23-43-0005, and 32-119-23-43-0006) (City File 22-039)

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

9. Unfinished Business

Mayor McKee invited residents to communicate in-person or telephonically during the public comment opportunity for Unfinished Business. City Administrator Beise explained the instructions to participate in the meeting via the Zoom video format and reviewed instructions for participation in the meeting through telephone or computer. No persons participated in the public comment period.

a. Water Supply System Discussion

City Administrator Beise noted each independent item with 9a., is tied to the water supply system.

ai. Financial Management Plan – Impacts on Water and Sewer Funds

Tammy Omdal, Northland Securities Managing Director, reviewed the financial management plan and outlined possible development scenarios within Corcoran and impacts on the water and sewer funds. Ms. Omdal outlined a conservative assumption analysis, and reviewed financial scenarios with both a decrease or an increase in development growth regarding long-term financial planning. Ms. Omdal noted the two scenario examples include Scenario A, which is consistent with the current adopted long-term financial plan for the city with the updated assumption for 2023A bonds to be reflective of current estimates inconsistent with respect to setting the sale for those bonds, and Scenario B, which is based on modified assumptions for growth and is the only change and reflects stagnant growth. Ms. Omdal emphasized the long-term financial plan assumptions for growth developed by staff are believed to be conservative, noting Scenario B would be even more conservative if growth does not continue within the City. Ms. Omdal reviewed within Scenario B, if development does not occur as anticipated, the city would not proceed with planned capital infrastructure improvements in future years related to utilities projects. Ms. Omdal noted in the Scenario A, if growth materializes as originally projected in the long-term financial plan, future improvements are anticipated to be paid with cash accumulated through REU credits as acres are developed, with debt expected in 2023 but no additional debt related to utilities. Ms. Omdal reiterated if growth does not occur, project costs would not move forward as originally planned, resulting in no cash spent or REU’s collected because the development would not materialize. Ms. Omdal noted both scenarios assume the City would move forward with the assumption in the long-term plan, of an average, adjustment increase in annual fees of five percent for water and three percent for sewer for existing customers, and noted the fees and charges collected in either scenario would eliminate a levy, as funds

would be available to support the water and sewer funds through collected taxes. Ms. Omdal noted even with issuance of debt to finance the 2023 major water system improvements, if originally anticipated growth is absent under Scenario B, the proposed bonds to be issued, would be supported by net revenues from the utility. Ms. Omdal further added in both scenarios, both the water and sewer revenue projections, are sufficient to cover expenses and projected cash needs. Council and staff discussed average acres platted in the last five years, conservative projections within the presentation charts, and noted projections do not include any concept plans presented to the City. Council and staff discussed moratorium impacts to projections, and specified any preliminary plats approved prior to a moratorium would be allowed to proceed in the event of a moratorium. Planner McKeown noted in 2021, 112 gross residential acres were platted. Ms. Omdal reviewed projected annual debt service as a percent of projected ending cash balances with assumption of issuance 2023 and then no further issuance in both scenarios. Ms. Omdal reviewed the projected growth in Scenario A, versus lack of development in Scenario B, and noted in either scenario, projections indicate development will drive revenues and the need for capital infrastructure improvement, and water and sewer funds are projected to maintain sufficient cash and remain in sound financial condition under both scenarios. Council and staff discussed interest rates and return on interest rates with invested funds. Council and staff noted after 8 years, the City can call the bonds, and options available to the City should interest rates drop to the historical lows previously seen. Council thanked Ms. Omdal for her presentation.

iii. Water Supply System Components

Public Works Director Mattson noted Council review of alternative systems presented to Council in previous meetings, and requested Council direction of which alternative system is supported prior to discussion tonight, allowing staff to focus on the details of selected option. Council inquired on the difference between domestic and non-domestic fittings and is one inferior to the other. Public Works Director Mattson noted occasional issues with non-domestic, and noted with the unpredictability of non-domestic, the value in savings in the Water Tower project is not recommended. Public Works Director Mattson noted with the Water Treatment Plant, management of replacement of out-of-warranty parts is a recognized savings value of possibly a one million dollars, and noted the parts for the water treatment plant are specifically made for this plant. Council and staff reviewed the recommendation by staff recognizing the value on upsizing both projects, and including the one million-gallon, composite water tower tank, with the base site work alternate A, for the Water Tower Project, and included if Council chooses to make a Motion for the Water Tower Project, the Water Treatment Plant Project would also be a necessary component.

MOTION: made by Bottema, seconded by Vehrenkamp to approve the staff recommendation to construct a Water Tower Project following staff recommendations for a one million-gallon, composite water tower tank, with the base site work Alternate A option.

MOTION: made by Nichols to table the previous Motion until discussion of the water treatment facility is complete.

Original Motion made by Bottema was withdrawn, and Vehrenkamp withdrew second Motion.

Council and staff discussed staff recommendation for the Water Treatment Facility Project includes base bid item 1 and 2, with a \$50,000 general allocation cap to expedite changes, necessary purchases related to the water treatment construction, in the case where a purchase was essential to allow project to continue, in between Council scheduled meetings. Public Works Director Mattson noted the purchase or service would be presented to Council at the first available meeting after purchase was completed. Public Works Director Mattson noted he would be the only staff member authorized to expedite the necessary purchase or service. Public Works Director Mattson noted advance approval for purchases is always the preferred method. Council and staff discussed contingency bid amounts not built into the base bid amount and determined any significant changes to base bid would be brought back to Council in a change order for approval. Public Works Director Mattson clarified the staff recommendation for the water treatment facility would be base bid 1, and base bid 2, and alternate bid 4, which is the upsize to 3-cell, to integrate SCADA (alternate 7) in the lift station, which would be funded out of the sewer budget, and would improve the City's ability to manage the system, and alternate bids 8 and 9, a for 3-cell system. Public Works Director Mattson noted Council would need to determine if architectural dormers should be included in the facility. Public Works Director Mattson summarized base bid 1, base bid 2, alternate bid 4, with discussion on alternate bid 5, and alternate 6, 7, 8, and 9 is the staff recommendation. Council noted discussion on 2-

and 3-cell systems.

MOTION: by Bottema, seconded by Vehrenkamp, to approve staff recommendations for the Water Treatment Facility including base bid 1, base bid 2, alternate bid 4, alternate bid 6, 7, 8, and 9, with integration of SCADA cost in the lift station allocation from sewer fund, allowing Public Works Director Mattson to expedite necessary purchases and services not to exceed \$50,000 should it be necessary between scheduled Council meetings. Council noted the Motion excludes the dormers approval and requested further discussion and a separate Motion. Council and staff discussed the growth needed to accelerate to the 3-cell system.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

Council noted discussion for architectural dormers.

MOTION: by Nichols, seconded by McKee to approve bid item 5, regarding architectural dormers.

Council discussed dormers, value, and possibility of dormer leaks.

Voting Aye: Nichols

Nay: McKee, Bottema, Schultz, and Vehrenkamp

(Motion fail 1:4)

MOTION: made by Nichols, seconded by Vehrenkamp to approve the staff recommendation to construct a Water Tower Project for a one million-gallon, composite water tower tank. Mayor McKee made a friendly amendment to the Motion to include the base site work Alternate A option. Council accepted the friendly amendment.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

aiii. Water Supply System Land

City Administrator Beise noted minor changes from City Attorney Thames on the dais for Resolution 2023-11, regarding the finance agreement.

MOTION: made by Nichols, seconded by Schultz to approve Resolution 2023-11 Authorizing the Mayor and City Administrator to Execute the First Amendment to the Purchase Agreement and Authorize the Mayor and City Administrator to execute the Financing Agreement and Authorizing Closing on the Sale of Certain Real Property.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

b. Public Hearing Tax Abatement Bonds

Mayor McKee opened the Public Hearing for Tax Abatement Bonds. City Administrator Beise explained the instructions to participate in the Public Hearing via the Zoom video format and reviewed instructions for participation through telephone or computer. No persons participated in the public comment period.

MOTION: made by Bottema, seconded by Schultz to close the Public Hearing on Tax Abatement Bonds.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

City Administrator Beise reviewed Resolution 2023-09 for property tax abatement and properties included.

MOTION: made by Schultz, seconded by Vehrenkamp to approve Resolution 2023-09 Property Tax Abatement in the City of Corcoran for Certain Public Infrastructure Improvements.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

c. Set Sale of 2023A Bonds

City Administrator Beise introduced Tammy Omdal from Northland Securities, and noted in the staff report, the park remaster does not have final numbers, and staff proposed removing from the bonds as the cost of park improvements is not currently in the financing plan. City Administrator Beise noted park improvements could be added upon Council direction, and noted at this time it is uncertain what the City would need to bond for the park. City Administrator Beise also noted additional Park Dedication Funds would increase in the next year and indicates less bonding for the park in the future.

Tammy Omdal, Managing Director Northland Securities, gave a brief overview of the Series 2032A Bonds. Ms. Omdal noted the four purposes or authority for issuance, include the northeast water supply which is the utility portion, Hackamore Road, Horseshoe Bend Drive, and City Center Drive as a tax abatement purposes. Ms. Omdal noted bonds will be a general obligation of the City, and the City will pledge net revenues of the City's water system, an abatement levy, and ad valerum taxes tax. Ms. Omdal

noted Bonds mature each February 1 until 2053, with the water portion structured over 30 years and if development occurs faster, the City would be able to call in those outstanding maturities. Director Omdal noted the tax abatement portion for street improvements are structured over a shorter period of 10-15 years. Ms. Omdal noted the estimated debt service is included in the City's long-term financial plan, along with estimated tax levy and water revenue to support the debt. Ms. Omdal noted as of January 11, the bond rating estimated interest is at 4.85 percent, noting we are not at historic low rates, however, it is still relatively low. Ms. Omdal reviewed comparisons of different rate scenarios, repayment terms, noting February 1, 2032, as option to call in either all or a portion of the outstanding bonds at par so there's no premium on that, so if the City has cash, and rates are really low, the City could current refund them or the City could select the option for taxable advance refunding. Ms. Omdal noted the City's current Moody's rating is a Aa3 as of April 2022. Ms. Omdal noted on the tax abatement authority for approved parcels in the resolution are no different than any other tax statements in the City, and noted the levies that the City will make to service these bonds will be spread over the City's entire tax base, and is the same as the general levy, and existing debt service levy. Ms. Omdal noted the tax abatement authority is the mechanism that is allowed under state law to issue bonds for this type of project where there is no other type of authority is available. Ms. Omdal noted the next Bond sale is scheduled for March 23. Director Omdal noted the next step includes Council adopting the resolution authorizing the Tax Abatement and Issuance of Tax Abatement Bonds, and noted there is flexibility in reducing the bond or adding to the bond should park improvements become part of Council's direction to staff, and is an approximate amount. Council inquired about the park purchase from the Rockford School District, and utilizing different addresses. City Administrator Beise confirmed Council comment and noted the property list may be decreased to utilize less resources. Ms. Omdal corrected an earlier comment regarding flexibility with including the City Park, and noted the number of parcels had already been reduced as it was determined park financing was not going forward at this time. Ms. Omdal added, at a later date, when Council is ready, there would be availability of approving a tax abatement on roughly 300 parcels that were not necessary to include at this time, and noted once parcels are included within a tax abatement, even if that capacity was not needed, those parcels are no longer available for that 10 to 15 year period. Council inquired about the \$420,000 for Horseshoe Bend Drive. Public Works Director Mattson noted a feasibility study will be presented to Council at the February 23 Council meeting and was in relation the Garage Too's project with drainage issues in the neighborhood, and added the projected cost is a worst-case scenario estimate. Council noted initial discussions of the cost being \$85,000 and \$420,000 is significantly higher. Council reviewed the Hackamore Road projected amount of \$1.8 million dollars, and inquired on what the total City contribution is, and if there is anything else that might cause a reduction in this number. Council and staff discussed the strong possibility of reduction in costs, but also utilizing the best, worst case data scenarios when reviewing improvement projects within the City.

MOTION: made by Schultz, seconded by McKee to approve Resolution 2023-10 Providing Issuance and Sale of Approximately \$26,110,000 of General Obligation Bonds Series 2023A.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

d. Holiday Toy and Food Drive – Budget and Date Selection

Recreation Supervisor Christensen Buck noted dates and budget amounts for the 2023 Holiday Toy and Food Drive event. Recreation Supervisor Christensen Buck proposed a primary date of December 12, 2023, and a secondary date of December 13, 2023. Recreation Supervisor Christensen Buck requested approval to seek donations from outside sources in the community. Council noted developments interested in volunteering for the event. Council inquired on how much the event costs the City as solicitating donations from the community implies costs involved with sponsoring the event. Sergeant Ekenberg noted the pizza ordered for volunteers participating was donated. City Administrator Beise noted there is staff time in organizing the event and not part of the donations. Recreation Supervisor Christensen Buck noted the future experiences could include a tree lighting at City Hall to end the event. Sergeant Ekenberg added future discussions would be necessary to determine a safe location for the community to gather. Council recognized thousands of pounds of food was donated, with approximately \$15,000 worth of toys were donated for the event. Staff thanked the Stanchion, the NW Trails Association, and the Corcoran community.

Motion: made by McKee, seconded by Vehrenkamp to approve the 2023 Holiday Food and Toy Drive

primary date as December 12, 2023, and a secondary, backup date of December 13, 2023, in case of inclement weather.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

Motion: made by McKee, seconded by Schultz to approve staff to solicit for donations for the 2023 Holiday Food and Toy Drive.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

e. REU Credit Policy

City Administrator Beise outlined the methodology for commercial properties and an REU Credit Policy. City Administrator Beise noted the additional changes included on the dais from City Attorney Thames.

Motion: made by Bottema, seconded by Nichols to approve Resolution 2023-07 Adopting the REU Credit Policy.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

Mayor McKee called a work session for January 23, at 5:00 pm for strategic planning.

10. New Business (Public Comment Opportunity)

Mayor McKee invited residents to communicate in-person or telephonically during the public comment opportunity for Unfinished Business. City Administrator Beise explained the instructions to participate in the meeting via the Zoom video format and reviewed instructions for participation in the meeting through telephone or computer. No persons participated in the public comment period.

a. Northwest Trails – Trail Alignment

City Administrator Beise outlined request by NW Trails Association regarding trail alignment from County Road 116 to Schutte Road, noting both parcels affected are City parcels. Council and staff discussed liability, noting there is none as it is a State covered program. Council noted the trail alignment is for a routing the trail more safely from the corner of County Road 116 and Schutte Road. Council noted as the trail is currently running through City property, and to create a safer experience for trail riders, moving the entire trail off of County Road 116 to Schutte Road. Council asked staff to review options with NW Trails Association of a new trail across City property, away from County Road 116 to create a safer trail for both motorists who encounter trail riders on County Road 116 and for trail riders.

MOTION: made by McKee, seconded by Nichols to authorize staff to work with NW Trails Association to sign the required paperwork to approve the proposed change as discussed.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

b. Organizational Updates and Employee Retention

Public Works Department Mattson reviewed options for the Public Works Department and employee retention. Public Works Director noted the reevaluating all Public Works processes and consider splitting into streets and parks division and utilities division. Public Works Director Mattson asked for authorization from Council for review of staff and bring forward a plan for department divisions, and additional look at Public Works Employee Retention and Recruitment. Council requested like for like for surrounding cities as far as wage gaps, non-union and union comparisons, and referenced Rogers as an example. City Administrator Beise noted wages are public and City would be able to obtain the information from Rogers.

MOTION: made by Vehrenkamp, seconded by Schultz to authorize staff to review options for Public Works Divisions, wage comparisons, and employee retention and recruitment.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp
(Motion carried 5:0)

11. Staff Reports

a. Planning Project Update; reports received.

Council noted a potential commercial compost site within a rural residentially zoned district. Council and staff discussed status of application and process for applicant to complete. Council and staff discussed compost sites.

12. 2023 City Council Schedule

Council received schedule. City Administrator Beise noted the February 23 meeting will contain two sketch concept plans, and a work session.

13. Adjournment

MOTION: made by Bottema, seconded by Vehrenkamp to adjourn.

Voting Aye: McKee, Bottema, Nichols, Schultz, and Vehrenkamp

(Motion carried 5:0)

Meeting adjourned at 10:07 pm on January 26, 2023.



Michelle Friedrich
Michelle Friedrich – City Clerk