

City of Falcon Heights
Regular Meeting of the City Council
City Hall
2077 W. Larpenteur Avenue

May 26, 1999
A G E N D A

- A. CALL TO ORDER: 7 p.m.
- B. ROLL CALL: GEHRZ ___ GIBSON TALBOT ___ HUSTAD ___
 JACOBS ___ KUETTEL ___ HOYT ___
 ATTORNEY ___ ENGINEER ___
- C. COMMUNITY FORUM
- D. APPROVAL OF MINUTES: May 12, 1999
- E. PRESENTATION:
 - 1. Recognition of Molly St. George and Katie Jo Kuhens on receiving the gold and silver Girl Scout awards
- F. CONSENT AGENDA:
 - 1. General disbursements through May 21, 1999, \$128,997.59
 Payroll, 5/1/99 to 5/15/99, \$8,394.72
 - 2. Consideration of hiring Kathy Ciernia as Election Coordinator
- G. POLICY AGENDA:
 - 1. Consideration of a position statement on future changes on the St. Paul campus
 - 2. Receipt of the 1998 Annual Financial Report (Audit)
 - 3. Consideration of resolution 99-15 authorizing the issuance and awarding the sale of the \$1,580,000 G.O. Improvement Bonds 1999A
 - 4. Establish interest rate for the assessments on the 1999 improvement project
 - 5. Update on the results of the 1999 legislative session
- H. INFORMATION AND ANNOUNCEMENTS:
- I. ADJOURN

MEMORANDUM

DATE: 25 June 1999

TO: Chief Clem Kurhajetz
First Assistant Chief Mike Clarkin
Second Assistant Chief Shellie Marvin
Firefighters

FROM: Susan Hoyt, City Administrator

RE: Council workshop on the finances and future of
rescue services

The city council is holding a workshop on the city's BLS service on Wednesday, June 30, 1999 at 7:00 PM. All firefighters are invited to attend the workshop.

The attached information is background for the discussion on the rescue service fund.

DRAFT

**CITY OF FALCON HEIGHTS
REGULAR CITY COUNCIL MEETING
MINUTES OF MAY 12, 1999**

The meeting was called to order at 7:00 P.M by Mayor Gehrz

Present: Gehrz, Gibson Talbot, Hustad, Jacobs, Kuettel, Hoyt

COMMUNITY FORUM

No one was present for the community forum.

MINUTES OF APRIL 28, 1999

The minutes from the April 28, 1999 council meeting were approved.

CONSENT AGENDA

Councilmember Gibson Talbot moved approval of the consent agenda. The motion passed unanimously.

1. Disbursements and payroll
2. Licenses
3. Request for authorization of purchase and installation of automatic dialer in the sewage lift station
4. Accept a gift of ceiling fans in Community Park from the Falcon Heights/Lauderdale Lions Club
5. Authorization to purchase trees for boulevard and park planting
6. Approve the purchase of planters for the westside of the community business district on Larpenteur Avenue

POLICY AGENDA

Consideration of Resolution 99-14 awarding the contract for the 1999 street reconstruction project to Palda & Sons, Inc. for \$1,212,234.18.

Councilmember Jacobs moved approval of the resolution awarding the construction contract to the lowest bidder for the 1999 street reconstruction project. The motion passed unanimously.

Update on the University of Minnesota women's soccer stadium and the St. Paul Campus planning committee.

Administrator Hoyt updated the council on the construction of the women's soccer stadium currently underway. She explained that revisions to the stormwater drainage

plans were made at the city's request because the original design would have negatively impacted the storm drainage pond in Community Park.

Consulting planner, John Shardlow, reviewed the reasons why the soccer stadium is being constructed north of Gibbs Farm rather than south of Larpenteur on the recreational soccer fields where it was originally proposed. He said that the proximity to residential neighborhoods, the inadequate access and the lack of parking were three of the reasons why the original proposed location made no sense.

Mayor Gehrz updated the council on the St. Paul Campus planning committee, of which she is a member. She explained that the committee represented several areas at the university, the county, St. Paul, and District 12.

Planner Shardlow provided some insights into the planning process with collaborative groups based upon his extensive experience working with these efforts. He recommended that the city clearly and specifically articulate what Falcon Heights needs and expects from university planning at the next meeting so the city's interests don't get lost or absorbed into the larger process.

After discussing the recommendation, draft mission statement and possible performance measures that could be incorporated into this, the council asked Mr. Shardlow and Administrator Hoyt to bring back a draft at the next council meeting.

Ms. Gertrude Esteros, 1666 Coffman, asked the Mayor if there was any urgency in completing the St. Paul Campus planning or if it was a committee that suggested a long term approach to planning. Mayor Gehrz responded that she believed the committee was a short term effort.

Dr. Bob Anderson, 1666 Coffman, thanked the council for its attentiveness to protecting the quality of the city's neighborhoods and initiating efforts with the university.

Planning summer meeting schedule.

The council discussed options for the summer meeting schedule. The council rescheduled the regular council meeting on July 28 to a July 24 budget workshop from 8 AM to Noon. The August meeting schedule will be further confirmed at a later time.

Announcements followed.

The meeting was adjourned at 8: 30 P.M.

Respectfully submitted,

Susan Hoyt, City Administrator

Susan L. Gehrz, Mayor

PRESENTATION

Date: 5/26/99

ITEM: Recognition of Ms. Molly St. George and Ms. Katie Jo Kuhens
on receiving the gold and silver Girl Scout awards

SUBMITTED BY: Sue Gehrz, Mayor

EXPLANATION/DESCRIPTION:

Summary and action requested. Mayor Gehrz will present a certificate and city pin to Ms. Molly St. George, 16660 Maple Knoll Drive, in honor of her achievement of receiving the Girl Scout Gold Award and Ms. Katie Jo Kuhens of 1747 Holton Street, in honor of her achievement of receiving the Girl Scout Silver Award.

ACTION REQUESTED:

Presentation by Mayor Gehrz

CONSENT 1
Meeting Date: 5/26/99

ITEM DESCRIPTION: Disbursements

SUBMITTED BY: Roland Olson, City Accountant

EXPLANATION/SUMMARY:

1. General disbursements through 5/21/99, \$128,997.59
2. Payroll, 5/1/99 to 5/15/99, \$8,394.72

ACTION REQUESTED: Approval

APPROVAL OF BILLS
 PERIOD ENDING: _05-21-99

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
	LEAGUE OF MN CITIES	99 OPEN MEETING INS	LEGISLAT	500.00
	*** TOTAL	FOR DEPT 11		500.00
	AMERICAN OFFICE PRODUCTS	INK JET PAPER/ENVELOPES	ADMINIST	26.56
	CARTRIDGE CARE	PRINTER REPAIR	ADMINIST	244.00
	FBN, INC	WEB PAGE/SERVER ISSUES	ADMINIST	170.00
	FBN, INC	WEB PAGE INSTRUCTION/BIL	ADMINIST	85.00
	LEAGUE OF MN CITIES	99 EXCESS UMBRELLA COVAG	ADMINIST	3,840.00
	LEAGUE OF MN CITIES	1999 GENERAL INS COVERAG	ADMINIST	17,141.00
	LEAGUE OF MN CITIES	MN CITY DIRECTORIES	ADMINIST	121.28
37561	DIANE MEYER	PAPER/ENVELOPES/GLUE	ADMINIST	17.39
37557	MN DEPARTMENT OF REVENUE	5/15 ST WITHHOLDINGS	ADMINIST	627.81
37555	PERA	5/15 PERA WITHHOLDINGS	ADMINIST	1,217.46
	RAMSEY COUNTY PROP/RECORD	ASSESSMENT PYMT BOOK	ADMINIST	7.00
	RAMSEY COUNTY PROP/RECORD	DATA PROCESSING SVCS FEE	ADMINIST	4.28
	RAMSEY COUNTY	5/99 INS PREMIUMS	ADMINIST	3,129.50
	RAMSEY COUNTY	ADMS COST INS	ADMINIST	76.50
	TAFF, SUSAN HOYT	5/99 AUTO ALLOWANCE	ADMINIST	250.00
	*** TOTAL	FOR DEPT 12		26,957.78
	INSTY-PRINTS PLUS	CAFR REPORT COVERS	FINANCE	64.50
	RAMSEY COUNTY PROP/RECORD	OVEFLAPPING DEBT SCHDULE	FINANCE	30.00
	*** TOTAL	FOR DEPT 13		94.50
	CAMPBELL KNUSTON	4/99 LEGAL SERVICES	LEGAL	2,534.00
	*** TOTAL	FOR DEPT 14		2,534.00
	ANDON BALLOONS	BALLOONS/HELIUM PARADE	COMMUNIC	376.53
	COPY-RIGHT OF SNELLING	DOOR HANGERS 50TH PARADE	COMMUNIC	222.00
	MERIT BADGE COMPANY	GOLD PINS FOR 50TH	COMMUNIC	162.95
37561	DIANE MEYER	50TH BDAY SUPPLIES	COMMUNIC	8.87
	DIANE MEYER	DOOR FLYER DISTRIBUTION	COMMUNIC	200.00
	U.S. POSTMASTER	ANNUAL BULK MAIL FEE	COMMUNIC	100.00
	KINKO'S INC.	NEWSLETTER COPYING	COMMUNIC	1,518.78
37556	RAMSEY COUNTY DEPARTMENT	TEMP FOOD LICNESE-PARADE	COMMUNIC	101.00
	*** TOTAL	FOR DEPT 16		2,690.13
	DAHLGREN SHARDLOW & UBAN	LINDIG STREET ISSUES	PLANNING	1,651.20
	DAHLGREN SHARDLOW & UBAN	ST PAUL CAMPUS PLANNING	PLANNING	465.06
	*** TOTAL	FOR DEPT 17		2,116.26
	AMERIPRIDE LINEN&APPAREL	LINEN CLEANING	FIRE FIG	39.63
	EMERGENCY APPARATUS MAINT	REPAIR DOOR LIGHT SWITCH	FIRE FIG	209.06
	EMERGENCY APPARATUS MAINT	752-SVC TRK & PUMP	FIRE FIG	508.82
	EMERGENCY APPARATUS MAINT	757 SVC TRK & PUMP	FIRE FIG	495.11
	EMERGENCY APPARATUS MAINT	753 SVC TRK & PUMP	FIRE FIG	346.17
	FIRE EQUIPMENT SPECIALTIE	BOOTS FOR NEW FIREFIGHTR	FIRE FIG	99.95
	FIRE EQUIPMENT SPECIALTIE	MSA PARTS	FIRE FIG	309.35
	IVERSON, TERRY	REIMB -OVERHEAD PROJBLUB	FIRE FIG	24.07
	JANKE, KATHLEEN	FIRE HALL CLEANING	FIRE FIG	80.00
	MN-WEST COLLEGE	BARB LEMAY FIRE SCHOOL	FIRE FIG	70.00
	LEAGUE OF MN CITIES	99 INS-FIRE STATION PROP	FIRE FIG	1,035.00
	LEAGUE OF MN CITIES	99 INS FIRE VEHICLES	FIRE FIG	3,927.00

APPROVAL OF BILLS
 PERIOD ENDING: _05-21-99

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
	LEMAY, BARBARA	REIMB EXP-BASIC PUMP	FIRE FIG	227.94
	MINNESOTA CONWAY	FIRE EXT RECHARGES	FIRE FIG	42.41
37554	MN STATE FIRE DEPT. ASSOC	RECERTICATION FEES	FIRE FIG	60.00
37560	MN STATE FIRE DEPT. ASSOC	RECERTIFCATION FEES	FIRE FIG	30.00
	MNSCU-FIRE/EMS/SAFETY CTR	7 FIRE FIGHTERS SCHOOLNG	FIRE FIG	700.00
	RAMSEY CLINIC	MED TESTS- JAMES RYLE	FIRE FIG	162.00
	MARY RIGNEY	REIMB -BASIC PUMP CLASS	FIRE FIG	286.92
	MARY RIGNEY	POSTAGE REIMB	FIRE FIG	6.10
	AIRTOUCH CELLULAR	CELLULAR PHONE SVC	FIRE FIG	23.93
	USWEST COMMUNICATIONS	TELEPHONE TO 5/1	FIRE FIG	166.08
	*** TOTAL FOR DEPT 24			8,849.54
37554	MN STATE FIRE DEPT. ASSOC	RECERTIFICATION FEE	FIRE PRE	10.00
	*** TOTAL FOR DEPT 25			10.00
	BROWNING-FERRIS IND.	5/99 WASTE REMOVAL EXP	CITY HAL	209.71
	CADY COMMUNICATIONS INC	TELEPHONE REPAIR	CITY HAL	155.75
	GRAINGER, W. W., INC.	TOWELS/SOAP DISPENSER	CITY HAL	149.80
	KNOX LUMBER CO.	UTILITY KNIFE/BULBS	CITY HAL	24.16
	LEAGUE OF MN CITIES	199 INS BONDS/PREMISES	CITY HAL	526.00
	NSP	ELECT TO 5/4	CITY HAL	770.59
	USWEST COMMUNICATIONS	TELEPHONE TO 5/1	CITY HAL	619.50
	*** TOTAL FOR DEPT 31			2,455.51
	BUMPER TO BUMPER	OIL AND RAIN X	STREETS	33.20
	HAR MAR LOCK & KEY	LOCKS FOR BREAKER BOXES	STREETS	119.74
	GRAINGER, W. W., INC.	LOCKOUT SAFETY KIT	STREETS	66.58
	KNOX LUMBER CO.	MULCH	STREETS	40.45
	LEAGUE OF MN CITIES	99 INS CITY VEHICLES	STREETS	641.00
	LEAGUE OF MN CITIES	99 INS MOBILE PROPERTY	STREETS	1,020.00
	NSP	ELECT TO 5/3	STREETS	34.90
	NSP	ELECT TO 5/4	STREETS	77.03
	*** TOTAL FOR DEPT 32			2,032.90
	HOWARD GREEN COMPANYC.	F.H. GENERAL ISSUES	ENGINEER	839.00
	HOWARD GREEN COMPANYC.	98 SIDEWALD IMPROVMENT	ENGINEER	232.56
	HOWARD GREEN COMPANYC.	LINDIG STREET ISSUES	ENGINEER	145.30
	HOWARD GREEN COMPANYC.	MSA STREET INVEST	ENGINEER	360.00
	*** TOTAL FOR DEPT 33			1,576.86
	BAILEY NURSERIES INC	10 TREES FOR PLANTING	TREE PRO	755.75
	BACHMAN'S, INC.	8 MAPLE TREES FOR PLANTG	TREE PRO	973.43
	*** TOTAL FOR DEPT 34			1,729.18
	CARLSON EQUIPMENT COMP.	PAINT	PARK & R	138.68
	KNOX LUMBER CO.	FERTILIZER, GLOVES,SHUTO	PARK & R	48.10
	LEAGUE OF MN CITIES	99 INS PARK BLDGS PROPRT	PARK & R	2,861.00
	NSP	ELECT/GAS TO 5/4	PARK & R	901.88
	NSP	ELECT/GAS TO 5.6	PARK & R	52.88
	ON SITE SANITATION	COMM PARK PORTABLE BIFFY	PARK & R	53.95
	SUPERIOR PRODUCTS MFG CO	UTENSIL FOR SNOCONES	PARK & R	7.35
37558	USWEST COMMUNICATIONS	TELEPHONE TO 4/22	PARK & R	57.76
	USWEST COMMUNICATIONS	TELEPHONE TO 5/10	PARK & R	65.67

APPROVAL OF BILLS
 PERIOD ENDING: _05-21-99

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
	D-ROCK CENTER & SMALL ENG MULCH		PARK & R	60.71
	D-ROCK CENTER & SMALL ENG ROCK AND SAND		PARK & R	81.47
	*** TOTAL FOR DEPT 41			4,329.45
	DANKO EMERGENCY EQUIPMENT CUTTER BLADE FOR HURST T FIRE & R			277.15
	SURVIVALINK CORP FIRST SAVE TRAINING UNIT FIRE & R			261.60
	*** TOTAL FOR DEPT 64			538.75
	BOARD OF WATER COMMISSNRS WILLIAM FOLEY PYMT#18038		SANITARY	56.11
	METROPOLITAN COUNCIL 6/99 SS CHARGES		SANITARY	22,451.92
	NSP ELECT TO 5/6		SANITARY	9.68
	*** TOTAL FOR DEPT 75			22,517.71
	EMERGENCY APPARATUS MAINT BACKUP LITE REPAIR		RESCUE S	55.90
	LEAGUE OF MN CITIES 99 INS ON CITYS AMBULANC		RESCUE S	1,423.00
	MIDTOWN CLEANERS DRY CLEANING OF BLANKET		RESCUE S	16.36
	OXYGEN SERVICE COMPANY OXYGEN AND AIR		RESCUE S	28.77
	OXYGEN SERVICE COMPANY OXYGEN AND AIR		RESCUE S	49.71
	REGIONS HOSPITAL LIFE SUPPORT GUIDLINE BK		RESCUE S	70.00
	*** TOTAL FOR DEPT 76			1,643.74
	STONEWEAR COMPOSITE STONE 43 STONEWARE PLANTERS		LARPENTE	24,829.00
	*** TOTAL FOR DEPT 82			24,829.00
	BERNARDY, CONNIE LANNERS MAY 16-31 PROF SVCS		MCAD	1,227.13
	*** TOTAL FOR DEPT 84			1,227.13
	HOWARD GREEN COMPANYC. NE ENGINEERING		NE QUAD	22,115.75
	CONSTRUCTION BULLETIN BID ADVERTISEMNT NE PROJ		NE QUAD	249.40
	*** TOTAL FOR DEPT 86			22,365.15
	*** TOTAL FOR BANK 01			128,997.59
	*** GRAND TOTAL ***			128,997.59

2.

C H E C K R E G I S T E R

CHECK TYPE	CHECK DATE	EMPLOYEE NAME NUMBER	CHECK NUMBER	CHECK AMOUNT
COM	5 13 99	32 RAYMOND BROWN	29409	32.73
COM	5 13 99	34 CLEMENT KURHAJETZ	29410	53.29
COM	5 13 99	35 LEO LINDIG	29411	19.10
COM	5 13 99	40 KEVIN ANDERSON	29412	23.44
COM	5 13 99	42 MICHAEL D. CLARKIN	29413	128.95
COM	5 13 99	63 RACHELLE L. MARVIN	29414	24.09
COM	5 13 99	66 ALFRED HERNANDEZ	29415	256.44
COM	5 13 99	70 JUSTIN T. NOVAK	29416	88.60
COM	5 13 99	73 JEREMY HUTCHISON	29417	117.69
COM	5 13 99	74 MARK J. ALLEN	29418	99.34
COM	5 13 99	75 JOSEPH P. KRAJEWSKI	29419	111.94
COM	5 13 99	76 STEVEN M. HOY	29420	112.03
COM	5 13 99	77 BARBARA J. LEMAY	29421	76.31
COM	5 13 99	79 MICHAEL D CLARKIN II	29422	64.70
COM	5 13 99	80 MARY K RIGNEY	29423	67.08
COM	5 13 99	81 LAUREL F SANDBERG	29424	58.99
COM	5 13 99	82 DUSTIN P THUNE	29425	42.83
COM	5 13 99	1002 SUSAN HOYT TAFF	29426	1389.02
COM	5 13 99	1003 TERRY IVERSON	29427	1050.31
COM	5 13 99	1005 CAROL KRIEGLER	29428	970.00
COM	5 13 99	1007 PATRICIA PHILLIPS	29429	874.49
COM	5 13 99	1013 WILLIAM MAERTZ	29430	1073.09
COM	5 13 99	1033 DAVE TRETSEVEN	29431	814.60
COM	5 13 99	1136 ROLAND O. OLSON	29432	845.66

COMPUTER CHECKS	8394.72
MANUAL CHECKS	.00
NOTICES OF DEPOSIT	.00

****TOTALS**** 8394.72

CONSENT 2
Date: 5/26/99

ITEM: Consideration of hiring Kathy Ciernia as Election Coordinator

SUBMITTED BY: Susan Hoyt, City Administrator

EXPLANATION/DESCRIPTION:

Summary and action requested. With the departure of the city clerk in February, the council is being asked to approve the hiring of Kathy Ciernia as the city's election coordinator at a rate of \$15.00 per hour. Kathy is experienced as an election judge and familiar with the election process through her many years of service on the League of Women Voters and, therefore, makes a good fit for this position. Kathy is also handling the city's Census 2000 documents. The council is also being asked to give Kathy deputy clerk status for the purpose of elections so that she can efficiently carry out her duties.

ACTION REQUESTED:

Hire Kathy Ciernia as elections coordinator with deputy clerk authority related to managing the elections.

POLICY 1
Date: 5/26/99

ITEM: Consideration of a position statement on future changes on-the St. Paul campus

SUBMITTED BY: Susan Hoyt, City Administrator

REVIEWED BY: John Shardlow, Planner, DSU

EXPLANATION/DESCRIPTION:

Summary and action requested. At the last city council meeting, the city staff was directed to draft a position statement for the council's consideration on future changes on the St. Paul campus to present at the next meeting of the University Community Land Use Planning Task Force. The draft position statement is designed to succinctly relay Falcon Heights' expectations from the University of Minnesota when the university plans for and implements facilities over the coming years. In summary, it states that the city expects to be involved in planning for change on the St. Paul campus in a timely way, the city expects the university to maintain the essential character of the campus and the surrounding neighborhoods; and the city expects the university to locate land uses that generate crowds, noise, lights, high traffic volumes and parking demands on the interior of the campus where there is the transitway, parking and high activity areas. If adopted, this position statement will be presented at the May 26, 1999 University Community Land Use Planning Task Force to make sure that the city's expectations are articulated early in the planning process.

Meets goal # 2. To maintain and promote the assets of the city's unique neighborhoods.

ATTACHMENTS:

- 1 Cover letter to Vice President Gardebring
- 2 Draft Position Statement
- 3 Summary of key planning concepts and concerns
- 4 University of Minnesota Community Relations Plan Outline
Adopted by Regents on April 9

ACTION REQUESTED:

- Brief introduction - Susan Hoyt, City Administrator
- Perspective on statement and process – John Shardlow
- Discussion
- Adopt a position statement to present to the University of Minnesota



CITY OF
FALCON HEIGHTS

2077 W. LARPEUTEUR AVENUE FALCON HEIGHTS, MN 55113-5594 PHONE (612) 644-5050 FAX (612) 644-8675

25 May 1999

Ms. Sandra Gardebring
Vice President of Institutional Relations
University of Minnesota
100 Church Street Southeast
Minneapolis, Minnesota 55455

Dear Sandra:

On behalf of the Falcon Heights city council, I thank you for your continued leadership on improving university/community relations through the University Community Land Use Planning Task Force. Now that the task force is officially underway, we are anxious to contribute to its progress and success through open, meaningful communication. As our record demonstrates through our participation on the master planning committee and our collaboration with the university on the Larpenteur Avenue streetscape plan, we have been and continue to be willing to discuss the university's future at the broader regional level as well as at the specific project level.

I know that you understand how important this planning effort on the St. Paul campus is to Falcon Heights. Although I represent the city on this task force, the entire city council is involved in the process and will be asked to approve the recommendations coming forward from the task force. In discussions with councilmembers, we determined that it would be most helpful for us, and hopefully for you and task force members, to simply state Falcon Heights' expectations from the university related to land use planning and project implementation at the start of this process. To efficiently and effectively communicate this message, the city council adopted the enclosed position statement to briefly present at the task force meeting on May 26, 1999. The statement derived from the planning concepts imbedded in the 1991 city's comprehensive plan and the university's 1996 master plan. Citations from these documents along with a list of compelling concerns are attached for your information.

Again, we offer this position statement in the spirit of open communication and cooperation among all of us, who are proud to be part of the greater university community.

Sincerely yours,

Sue Gehrz
Mayor

HOME OF THE MINNESOTA STATE FAIR AND THE U OF M INSTITUTE OF AGRICULTURE



PRINTED ON RECYCLED PAPER

25 May 1999
**City of Falcon Heights' Position
On Future Changes on the St. Paul Campus**

Purpose

To communicate Falcon Heights' position on future changes on the St. Paul campus; and to state Falcon Heights' commitment to open, timely communication and a cooperative spirit in planning for these changes with the University of Minnesota.

Barriers to Trust

Falcon Heights' past experience with the University of Minnesota over siting the soccer stadium after Falcon Heights had participated in good faith in a master planning process for the Twin Cities campus.

The University of Minnesota's lack of a comprehensive, cohesive integrated decision-making process on land use planning and project implementation.

Current activities being undertaken by the University of Minnesota, like the athletic precinct plan, that may compete or conflict with the recommendations coming from the University Community Land Use Planning Task Force.

Fundamental Expectations

The University of Minnesota will openly communicate and actively involve Falcon Heights in a timely way about possible future changes that may effect the essential character of the campus or its surrounding neighborhoods. When the University of Minnesota implements pre-approved plans and projects that do not effect the essential character of the campus or its surrounding neighborhoods, Falcon Heights will cooperate in expediting the planned project.

In fulfilling its mission, the University of Minnesota will not initiate any physical changes on the St. Paul campus that will destroy its essential character or adversely affect the neighborhoods that surround it.

The University of Minnesota will locate land uses that generate significant traffic volumes, parking needs, crowds, noise, lights or other associated nuisances within the interior of the campus near the transitway, existing parking and current high activity areas in order to protect the essential character and quality of life in the neighborhoods surrounding the campus.

The University of Minnesota will follow through on its commitments to Falcon Heights when it implements plans through individual projects.

On-going Communication and Cooperation

Falcon Heights is an integral part of the broader university community and is committed to on-going, meaningful communication and cooperation with the University of Minnesota as it plans for future changes on the St. Paul campus.

25 May 1999
City of Falcon Heights
Planning Principles and Compelling Concerns

I. Planning principles and objectives from the university 1996 Master Plan and the city's 1991 Comprehensive Plan relevant to the broader university community

A. University principles for campus planning:

1. Number 7 - Develop Connections

On a livable campus, there are connections which knit the campus seamlessly into the surrounding urban fabric and facilitate movement and relationships between uses, programs and facilities within the campus. There is an emphasis on creating synergies, relationships and compatible built form. The entwining of the surrounding city with the campus creates resources and opportunities for both. Connections within the campus enhance the daily experience by improving access to outstanding natural features, open spaces, services, programs and facilities.

2. Number 11 – Facilitate and ensure healthy collaborative ventures

On a livable campus, there are opportunities for joint ventures and third party partnerships, both internal and external to the university. These arrangements, appropriately directed, create opportunities to achieve objectives without unnecessary costs. Such ventures are used in the development of housing, food and high profile buildings. Healthy partnerships allow both parties to benefit and to achieve long term goals.

B. City objectives related to neighborhoods:

1. To improve the quality, appearance and maintenance of housing in neighborhoods.
2. To minimize land use and traffic intrusions that adversely impact established neighborhoods.
3. To continue the well maintained residential character of existing neighborhoods.

II. Compelling concerns

- A. The relocation of the recreational softball fields
- B. The future of the greenhouse area and the old Gibbs Schoolhouse site
- C. The future of the agricultural fields, especially north of Larpenteur
- D. The immediate and long term parking, traffic volume, noise and intensity of use of the women's soccer stadium
- E. The future of the Community Park and Grove Park leases
- F. Future university development west of Cleveland Avenue
- G. The university's perceived unwillingness to seek out ways to share facilities among its departments or with other entities in preference to building and controlling its own facilities.
- H. The university's independence from local and state land use regulations.

UNIVERSITY OF MINNESOTA

*Office of the Vice President for
Institutional Relations*

6 Morrill Hall
100 Church Street S.E.
Minneapolis, MN 55455-0110
612-624-6868
Fax: 612-624-6369

Community Relations Plan Outline

Some months ago, Vice president Sandra S. Gardebring, Vice president Eric Kruse and Chief Financial Officer Richard Pfitzenreuter began work on a revised Capital Project Review/Community Relations procedure. The new procedure includes two important changes: (1) a new internal planning approach that is intended to both provide a link between the University Master Plan and individual projects, and to specifically address community concerns upfront, and (2) outreach mechanisms that are aimed at linking community issues with internal University planning activities.

This revised planning/community relations effort is intended to improve the level and quality of communication with neighborhood groups and elected officials in areas surrounding the Twin Cities campuses, and to encourage their active support for capital projects, program initiatives, and other University activities.

First, the changes in internal procedures. A mechanism is proposed to "capture" for inclusion in a **Precinct Development Inventory** both projects that come through the normal capital budget process and—more problematical—projects that are not dependent on University capital budget requests or perhaps may not be University projects at all. These include such actions as:

- Real estate sales or purchases.
- Private development drawn to the geographic area of the University because we generate certain needs, e.g., private housing developments.
- University facilities intended to be built with "private money" only.

While some of these projects may be identified in the six-year capital plan, others—not technically University development projects—may not. Such projects are always known to

someone inside the University—deans, faculty, student services staff, athletics staff, etc. Information about such projects will be transmitted to the Capital Oversight Group (COG) so that they can be adequately vetted as to cost and design, as well as communicated to the stakeholder communities.

In addition, the Capital Budget Instructions have already been amended to include, at the pre-design stage, explicit consideration of neighborhood impacts. Although the details of such review would vary from project to project, such a "**Neighborhood Impact Assessment**" might typically include information on the following issues:

1. Alternatives considered (e.g., "no build" alternative)
2. Alternative sites considered
3. Noise impacts
4. Traffic/transportation/parking impacts
5. General "quality of life" impacts

The specific issues to be considered for each project might be refined as a result of the Annual Development Review, at which time citizens could identify specific neighborhood concerns that might not be obvious to University officials.

Second, the procedure includes more and better communication mechanisms to deal with community concerns. The proposal includes two new approaches:

- **An Annual Development Review**- probably in the spring or early summer - at which time planning and community relations staff would appear before a variety of community groups, planning commissions, elected boards, etc., to provide a description of all projects related to University activities that are known to us at the time (the "Precinct Development Inventory").
- **Periodic update meetings**, on an "as needed," project-by-project basis.

Obviously this will not be a useful mechanism - and in fact will damage our credibility -if we do not have a complete inventory of projects when we make our annual visit to each community.

In addition, we will initiate a **written communication mechanism** in each of the neighborhoods that surround our campuses. We might use one "Community Update" newsletter (since the neighborhoods do seem to be interested in what we are doing more broadly) or a periodic column that we would submit to the various neighborhood publications, limited to information about what the University is doing in that area.

A third communication mechanism would be a periodic **Planning Summit** with elected officials and their planning staffs from communities surrounding the Twin Cities campuses. Perhaps held in conjunction with the League of Cities meeting, the event would provide an opportunity for the cities that are our neighbors to communicate their plans for development, etc., in our area and for University officials to do likewise.

This plan was approved by the Board of Regents at its April meeting and implementation will begin this summer.

POLICY 2
Date: 5/26/99

ITEM: Receipt of the 1998 Annual Financial Report (Audit)

SUBMITTED BY: Jennifer Thienes, Auditor

REVIEWED BY: Susan Hoyt, City Administrator
Roland Olson, City Accountant

EXPLANATION/DESCRIPTION:

Summary and action requested. The council will receive the 1998 annual financial report from the city's auditor. The presentation will include an overview of the revenues and expenditures for the city in 1998. Questions are welcome. Although the annual financial report is compiled by the auditor, the city accountant is very involved in providing information for the annual audit and for this document

Goal # 4. To provide a responsive and effective city government.

Strategy #6. To effectively manage the city's financial resources.

ATTACHMENTS:

1 1998 Annual Financial Report (enclosed)

ACTION REQUESTED:

Presentation by Jennifer Thienes
Questions and discussion
Motion to accept the 1998 annual financial report

ITEM DESCRIPTION: Consideration of resolution 99-15 authorizing the issuance and awarding the sale of the \$1,580,000 G.O. Improvement Bonds 1999A

SUBMITTED BY: Susan Hoyt, City Administrator

PREPARED BY: Richard Martin, Bond Counsel, Leonard Street

REVIEWED BY: Sharon Klumpp, Financial Consultant

EXPLANATION/DESCRIPTION:

Summary and Action Requested: The council is being asked to authorize issuing and awarding the sale of the \$1,580,000 G.O. Improvement Bonds 1999A to pay for the public improvements underway in the northeast area of the city. The G.O. Bonds are partially paid for through assessments. The details of the sale, which takes place May 26 at 10 A.M., will be presented at the meeting.

ATTACHMENTS:

1. City of Falcon Heights Official Statement
2. Resolution 99-15

ACTION REQUESTED:

Presentation of sale – Sharon Klumpp
Questions and discussion
Adopt resolution 99-15 awarding the sale of the bonds, if terms are acceptable

Councilperson _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 99-15

RESOLUTION AUTHORIZING ISSUANCE, AWARDED SALE,
PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR
THE PAYMENT OF \$1,580,000 GENERAL OBLIGATION
IMPROVEMENT BONDS, SERIES 1999A

BE IT RESOLVED by the City Council of the City of Falcon Heights, Minnesota (the "Issuer"), as follows:

Section 1. Authorization and Sale.

(a) This Council, by its Resolution No. 98-32, duly adopted on December 16, 1998, authorized the issuance and public sale of its General Obligation Improvement Bonds, Series 1999A (the "Bonds") in the approximate principal amount of \$1,580,000, to finance the 1999 NE Quadrant street improvements project consisting of the following specific street improvements:

Asbury Street, Crawford to Roselawn
Simpson Street, Crawford to Roselawn
Pascal Street, Larpenteur to Roselawn
Holton Street, Larpenteur to Roselawn
Albert Street, Ruggles to Roselawn
Ruggles Avenue, Snelling to Hamline
Crawford Avenue, Simpson to Pascal
Garden Avenue, Holton to Hamline

(b) This Council has previously ordered the foregoing improvements in accordance with Minnesota Statutes, Sections 429.031 and 429.091.

(c) Pursuant to the Terms of Proposal, _____ sealed proposals for the purchase of the Bonds were received at or before the time specified for receipt thereof. The proposals have been opened and considered and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of _____ of _____ (the "Purchaser"), to purchase the Bonds at a price of \$ _____ plus accrued interest on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

(d) The sale of the Bonds is hereby awarded to the Purchaser and the Mayor and City Administrator are hereby authorized and directed to execute a contract on behalf of the Issuer for the sale of the Bonds in accordance with the terms of the proposal. The good faith check of the Purchaser shall be retained and deposited by the Issuer until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement. The good faith checks of other bidders shall be returned to them forthwith.

Section 2. Bond Terms; Registration; Execution and Delivery.

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing, having happened and having been performed, it is now necessary for the City Council to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

2.02. Maturities; Interest Rates; Denominations; and Payment. The Bonds shall be designated as General Obligation Improvement Bonds, Series 1999A, shall be originally dated as of June 1, 1999, shall be in denominations of \$5,000 or any integral multiple thereof, of single maturities, shall mature on February 1 in the years and amounts stated below, and shall bear interest from date of issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2001	\$175,000		2006	150,000	
2002	185,000		2007	155,000	
2003	135,000		2008	160,000	
2004	135,000		2009	165,000	
2005	145,000		2010	175,000	

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond at the principal office of the Registrar described herein, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein.

2.03. Dates and Interest Payment Dates. Each Bond shall be dated by the Registrar on the date of its authentication and delivery. The date inserted on each bond shall be the last interest payment date to which interest has been paid, or if no interest has been paid, [^] June 1, 1999. The interest on the Bonds shall be payable on February 1 and August 1 in each year, commencing February 1, 2000, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.04. Redemption. (a) The Bonds maturing on and after February 1, 2007 shall be subject to redemption in advance of their respective stated maturity dates beginning on February 1, 2006 and on any date thereafter in whole or in part at a redemption price of par plus accrued interest. If redemption is in part, the Issuer may select the maturities, or portions thereof, to be redeemed. Bonds shall be selected for redemption by lot within a maturity.

(b) If Bonds are to be redeemed prior to their stated maturity, the Issuer shall give, or cause the Registrar (defined below) to give notice of redemption.

Section 2.05. Notice of Redemption. At least thirty (30) days prior to the date set for redemption of any Bond, the Issuer shall cause notice of the call for redemption to be mailed to the registered owner of each Bond to be redeemed, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Bonds to be redeemed and the place at which the Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest.

2.06. Appointment of Initial Registrar. The Issuer hereby appoints Δ U.S. Bank Trust, National Association, Saint Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar") for the Bonds. The Mayor and City Administrator are authorized to execute and deliver, on behalf of the Issuer, 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, such corporation shall be authorized to act as successor Registrar. The Issuer agrees to pay the reasonable and customary charges of the Registrar for the services performed. The Issuer reserves the right to remove the Registrar upon thirty days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.07. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide 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 any 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 shall 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 such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange, the Registrar shall 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. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the Issuer.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall 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 Issuer and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be 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 all payments made to any registered owner or upon the owner's order shall 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. For every transfer or exchange of Bonds the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such 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 of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

2.08. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the City Administrator and shall be executed on behalf of the Issuer by the signatures of the Mayor and the City Administrator, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if

he had remained in office until delivery. Notwithstanding such execution, no Bond shall 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 each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the Finance Director shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.09. Book-Entry System; Limited Obligation of Issuer.

(a) 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 2.02 hereof. Upon initial issuance, the ownership of each such 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 (the "Depository"). 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 the Depository.

(b) With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of the Depository, the Issuer, 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 the Depository holds Bonds as securities depository (the "Participants") or to any other person on behalf of which a Participant holds an interest in the Bonds (the "Beneficial Owners"), including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, 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 Beneficial Owner, other than a registered owner of Bonds, or any amount with respect to principal of, premium, if any, or interest on the Bonds. The Issuer, 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 Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the Issuer'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 the Depository to the City Administrator of a written notice to

the effect that the Depository has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of the Depository; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Bond Registrar and Paying Agent, if the Registrar or Paying Agent is other than the City Administrator.

(c) Representation Letter. A blanket letter of representation is on file with the Depository.

(d) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Issuer and discharging its responsibilities with respect thereto under applicable law. The Issuer may terminate the services of the Depository with respect to the Bonds if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the Issuer or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the Issuer, is willing and able to assume such functions upon reasonable or customary terms, or if the Issuer determines that it is in the best interests of the Issuer or the Beneficial Owners of the Bonds that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with Section 2.06. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with Section 2.06 hereof, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (d) shall limit or restrict the provisions of Section 2.06.

Remainder of page intentionally left blank.

2.10. Form of Bonds. The Bonds shall be prepared in substantially the following form:

[Face of the Bonds]

^Δ No. _____ UNITED STATES OF AMERICA
 STATE OF MINNESOTA \$ _____
 COUNTY OF RAMSEY
 CITY OF FALCON HEIGHTS

GENERAL OBLIGATION IMPROVEMENT BOND, SERIES 1999A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
--------------------------	--------------------------	-----------------------------------	--------------

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE CITY OF FALCON HEIGHTS, COUNTY OF RAMSEY, MINNESOTA (the "Issuer"), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal sum specified above on the maturity date specified above, and to pay interest thereon from the date hereof at the annual rate specified above, payable on February 1 and August 1 in each year, commencing February 1, 2000, 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 ^Δ U.S. Bank Trust, National Association, in Saint Paul, Minnesota, as Bond Registrar and Paying Agent (the "Registrar"), 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, credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of a series in the aggregate principal amount of \$1,580,000, all of like date and tenor, except as to maturity date, interest rate and denomination, issued, pursuant to a resolution adopted by the City Council on May ^Δ 26, 1999 (the "Resolution"), to finance the costs of local improvements, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 429 and 475. The Bonds of this series are issuable only as fully registered bonds, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

The Bonds maturing on and after February 1, 2007 shall be subject to redemption in advance of their respective stated maturity dates beginning on February 1, 2006 and on any date thereafter in whole or in part at a redemption price of par plus accrued interest. If redemption is in part, the Issuer may select the maturities, or portions thereof, to be redeemed. Bonds shall be selected for redemption by lot within a maturity.

If Bonds are to be redeemed prior to their stated maturity, the Issuer shall give, or cause the Registrar to give notice of redemption.

Bonds of this series have been designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer 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 Issuer 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 Issuer 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 Issuer nor the Registrar shall 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 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 Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that, prior to the issuance hereof the City Council has by the Resolution covenanted and agreed to levy special assessments upon property specially benefited by the local improvements financed by the Bonds, which special assessments, together with ad valorem taxes levied by the Issuer, will be collectible for the years and in amounts sufficient to produce sums not less than five percent in excess of the principal of and interest on the Bonds of this series when due, and has appropriated such special assessments to its Series 1999A Improvement Bond Sinking Fund for the payment of such principal and interest; that if necessary for payment of such principal and interest, ad valorem taxes are required to be levied upon all taxable property in the Issuer, without limitation as to rate or amount; and that the issuance of this Bond, together with all other indebtedness of the Issuer outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the Issuer to exceed any constitutional or statutory limitation of indebtedness.

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

IN WITNESS WHEREOF, the City of Falcon Heights, County of Ramsey, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the printed facsimile signatures of its Mayor and City Administrator, and has caused this Bond to be dated as of the date set forth below.

Dated: _____, 1999

CITY OF FALCON HEIGHTS, MINNESOTA

Attest: (facsimile)
City Administrator

 (facsimile)
Mayor

CERTIFICATE OF AUTHENTICATION

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

as Registrar

By _____
Authorized Representative

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

TEN COM — as tenants
 in common (Cust) (Minor)

UTMA ___ as Custodian for _____
 under Uniform Transfers
 to Minors Act

TEN ENT — as tenants
 by entireties

(State)

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.

(Form of certificate following a full copy of the legal opinion)

We certify that the above is a full, true and correct copy of the legal opinion rendered by Bond Counsel on the issue of Bonds of the City of Falcon Heights, Ramsey County, Minnesota, which includes the within Bond, dated as of the date of original delivery of and payment for the Bonds.

(Facsimile Signature)
City Administrator

(Facsimile Signature)
Mayor

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 enlargement or any change whatsoever.

Signature Guaranteed:

Signature(s) must be guaranteed by a commercial bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE:

Section 3. Use of Proceeds. There is hereby established on the official books and records of the Issuer a Series 1999A Improvement Construction Fund (the "Construction Fund"), and the Finance Director shall continue to maintain the Construction Fund until payment of all costs and expenses incurred in connection with the construction of the local improvements financed by the Bonds have been paid. To the Construction Fund there shall be credited from the proceeds of the Bonds, exclusive of unused discount and accrued interest, an amount equal to the estimated cost of the improvements and from the Construction Fund there shall be paid all construction costs and expenses. There shall also be credited to the Construction Fund all special assessments collected with respect to the improvements financed by the Bonds, until all costs of the improvements have been fully paid. After payment of all construction costs, the Construction Fund shall be discontinued and any Bond proceeds remaining therein may be transferred to the funds or accounts established for construction of other improvements instituted pursuant to Minnesota Statutes, Chapter 429. All special assessments on hand in the Construction Fund when terminated or thereafter received, and any Bond proceeds not so transferred, shall be credited to the Series 1999A Improvement Bond Sinking Fund of the Issuer.

All proceeds of the Bonds deposited in the Construction Fund will be expended solely for the payment of the costs of the improvements referred to in Section 1 hereof (or other improvements authorized pursuant to Chapter 429). All improvements so financed will be owned and maintained by the Issuer and available for use by members of the general public on a substantially equal basis. The Issuer shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the improvements or security for the payment of the Bonds which might cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Internal Revenue Code of 1986, as amended (the "Code").

Section 4. Series 1999A Improvement Bond Sinking Fund. So long as any of the Bonds are outstanding and any principal of or interest thereon unpaid, the Finance Director shall maintain a separate debt service fund on the official books and records of the Issuer to be known as the Series 1999A Improvement Bond Sinking Fund (the "Bond Fund"), and the principal of and interest on the Bonds shall be payable from the Bond Fund. The Issuer irrevocably appropriates to the Bond Fund (a) any amount in excess of Δ \$1,562,620 received from the Purchaser; (b) all taxes and special assessments levied and collected in accordance with this Resolution; and (c) all other moneys as shall be appropriated by the City Council to the Bond Fund from time to time. If the balance in the Bond Fund is at any time insufficient to pay all interest and principal then due on all Bonds payable therefrom, the payment shall be made from any fund of the Issuer which is available for that purpose, subject to reimbursement from the Bond Fund when the balance therein is sufficient, and the City Council covenants and agrees that it will each year levy a sufficient amount of ad valorem taxes to fully pay any accumulated or anticipated deficiency, which levy is not subject to any constitutional or statutory limitation.

Section 5. Special Assessments. The issuer hereby covenants and agrees that, for the payment of the cost of improvements financed by the Bonds, the Issuer has done or will do and perform all acts and things necessary for the final and valid levy of special assessments in an amount not less than 20% of the cost of the improvements financed by the Bonds. The Issuer has levied or expects to levy assessments in the aggregate principal amount of \$602,000. The principal of the assessments shall be payable in not more than ten installments, with interest on unpaid

installments thereof from time to time remaining unpaid at a rate authorized pursuant to Minnesota Statutes, Chapter 429. It is estimated that the principal and interest on such special assessments will be collected in the years and amounts as follows:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Amount</u>
1998	2000	
△ 1999	2001	
△ 2000	2002	
△ 2001	2003	
△ 2002	2004	
△ 2003	2005	
△ 2004	2006	
△ 2005	2007	
△ 2006	2008	
△ 2007	2009	
△ 2008	2010 [△]	

In the event any such assessment shall at any time be held invalid with respect to any lot or tract of land, due to any error, defect or irregularity in any action or proceeding taken or to be taken by the Issuer or by the City Council or by any of the officers or employees of the Issuer, either in the making of such assessment or in the performance of any condition precedent thereto, the Issuer hereby covenants and agrees that will forthwith do all such further things and take all such further proceedings as shall be required by law to make such assessment a valid and binding lien upon said property.

Section 6. Pledge of Taxing Powers. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the Issuer shall be and are hereby irrevocably pledged. There is hereby levied in each of the following years, the following amounts to pay debt service on the Bonds:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Amount</u>
1998	2000	
△ 1999	2001	
△ 2000	2002	
△ 2001	2003	
△ 2002	2004	
△ 2003	2005	
△ 2004	2006	
△ 2005	2007	

△ 2006	2008
△ 2007	2009
△ 2008	2010 [△]

It is estimated that the collections of special assessments as set forth in Section 5, plus the annual ad valorem tax levies set forth above, will produce amounts not less than 5% in excess of the amounts needed to meet when due the principal and interest payments on the Bonds.

Section 7. Defeasance. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the holders of the Bonds shall cease. The Issuer may discharge its obligations with respect to any 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; or, 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 from the due date to the date of such deposit. The Issuer may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal, interest and redemption premiums to become due thereon to maturity or earlier designated redemption date.

Section 8. Registration of Bonds. The City Administrator is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor of Ramsey County, together with such additional information as the Auditor may require, and to obtain from the Auditor a certificate that the Bonds have been duly entered upon the Auditor's bond register.

Section 9. Authentication of Transcript. The officers of the Issuer and the Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Leonard, Street and Deinard, Professional Association, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

Section 10. Tax Covenant: Arbitrage Certificate.

(a) The Issuer covenants and agrees with the holders from time to time of the Bonds herein authorized, 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 payable on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code") and regulations issued thereunder, in effect at the time of such action, and that it will take, or will cause its officers, employees or agents to take, all affirmative actions within its powers which may be necessary to insure 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.

(b) The Mayor and City Administrator being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Sections 1.148-0 through 1.148-11 of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of the Code and the applicable regulations.

Section 11. Arbitrage Rebate Exemption. It is hereby found that the Issuer has general taxing powers, that none of the Bonds is a "private activity bond" within the meaning of Section 141 of the Code, that 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer, and that the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the Issuer and all subordinate entities thereof during the year 1999 is not reasonably expected to exceed \$5,000,000. Therefore, pursuant to the provisions of Section 148(f)(4)(C) of the Code, the Issuer shall not be required to comply with the arbitrage rebate requirements of paragraphs (2) and (3) of Section 148(f) of the Code.

Section 12. Qualified Tax-Exempt Obligations. The City Council hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of qualified tax-exempt obligations (within the meaning of Section 265(b)(3) of the Code) which will be issued by the Issuer and all subordinate entities during calendar year 1999 does not exceed \$10,000,000.

Section 13. Official Statement. The Official Statement relating to the Bonds, dated _____, 1999, prepared and delivered on behalf of the Issuer by Springsted Incorporated, is hereby approved, and the officers of the Issuer are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency thereof.

Mayor

Attest: _____
City Administrator

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

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

POLICY 4
Date: 5/26/99

ITEM: Establish interest rate for the assessments on the 1999 improvement project

SUBMITTED BY: Susan Hoyt, City Administrator

EXPLANATION/DESCRIPTION:

Summary and action requested. The council is being asked to adopt an interest rate for the assessment for the 1999 street project at 2% over the interest rate for which the bonds were sold. This is according to city policy to cover the cost of financing this project. The interest rate for the bond sale will be established at the time of sale and acceptance by the council on May 26, 1999.

ACTION REQUESTED:

Adopt an interest rate 2% over the interest rate for the bond sale to charge on the assessments on the 1999 general improvements.

POLICY 5
Date: 5/26/99

ITEM: Update on the results of the 1999 legislative session

SUBMITTED BY: Susan Hoyt, City Administrator

EXPLANATION/DESCRIPTION:

Summary and action requested. The council will be updated on key decisions coming out of the 1999 that will impact the city. Levy limits will affect the city's 2000 budget.

ACTION REQUESTED:

Information by administrator
Additional information from council
Discussion