

**City of Cologne
July 21, 2014**

Pursuant to due call and notice thereof, a regularly scheduled council meeting was held on Monday, July 21, 2014 at the Cologne Community Center. Mayor Matt Lein was absent, Councilmember Don Meyer called the meeting to order at 7:00 p.m. Councilmembers Don Meyer, Scott Williams, Jeff McInnis and Kyle Evenski were present. City Administrator John Hendel and Jake Saulsbury, P.E, Bolton & Menk, Inc. were present. Deputy Clerk Sue Mueller was absent.

ADOPT AGENDA

Motion Evenski, seconded by McInnis to adopt the agenda. Motion passed unanimously.

ADOPT CONSENT AGENDA

- a) July 8, 2014 Council Meeting Minutes
- b) July 11- July 21, 2014 Expenditure
- c) July 15, 2014 Payroll

Motion by McInnis, seconded by Williams to adopt the consent agenda. Motion passed unanimously.

VISITORS PRESENTATIONS, PETITION AND CORRESPONDENCE

COUNCIL BUSINESS

a) **Cologne Academy Request**

Lynn Gluck Peterson, Cologne Academy Executive Director reported on the Cologne Academy's phase five expansion plans and the \$11.5 - \$13 million dollar bond sale that would be needed for the project. The Cologne Academy is requesting the City of Cologne consider conduit bonding to enable the Academy to proceed with the expansion project. Ms. Gluck Peterson reported that conduit bonding is a common practice for charter schools in Minnesota. City Administrator John Hendel explained the city does not currently have any policy on conduit bonding and does not have a fee established for this. Administrator Hendel reported some communities do not charge a fee, while other communities charge for out of pocket expenses plus .5 to 1 percent of the bonds. Administrator Hendel explained the use of conduit bonding allows the Cologne Academy to receive lower interest rates.

Joel Stencel, City Auditor-Eide Bailly explained conduit bonding is beneficial for non-profit organizations, as they receive the funds tax exempt. The only draw-back for the city would be if a large project came up and the City of Cologne would need bonding. The city's tax exempt limit is \$10 million. The city has no financial obligation for the bonding and it will not affect the city debt exposure.

b) City of Cologne 2013 Audit

Joel Stencel, Eide Bailly reviewed the 2013 City Audit.

c) Watermain Loop Bid

Jake Saulsbury, Bolton & Menk and reported Minger Construction Inc. was the only bid received for the CSAH 36 Watermain Projection. The bid was \$684,968.20, 22% above the estimated amount of \$560,000.

Administrator John Hendel presented the Minnesota PFA Loan Repayment Study and Water Rate Projections that Springsted Incorporated completed.

Motion by Williams, seconded by Evenski to award the contract for the CSAH 36 Watermain Project contingent upon receiving PFA approval. Motion passed unanimously.

d) Hotel Feasibility Study

City Administrator Hendel reported he has had some discussion with AmericInn regarding the possibility of building a hotel in Cologne. Administrator Hendel reported the next step would be to have a Market Study completed. HMI Inc. has completed a proposal for a market study, a comprehensive study would be \$8,600. Councilmembers recommended staff contact Hans Hagen to open discussions.

Councilmembers discussed the future for an industrial park on the north/east side of Cologne

BOARD REPORTS

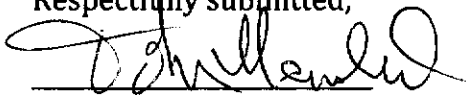
ANNOUNCEMENTS

- 1) Mill Overlay Complete
- 2) Glad Days This Week

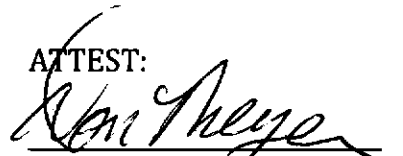
ADJOURN MEETING

Motion by McInnis, seconded by Williams to adjourn the meeting. Motion passed unanimously.

Respectfully submitted,


John Hendel, City Administrator

ATTEST:


Don Meyer, Acting Mayor