

Pursuant to due call and notice thereof, a regular meeting was duly held at the City Hall, 7516 80th Street South, on the 3rd day of May, 1978 at 7:30 o'clock p.m.

The following members were present: Mayor Peterson
Councilman Hammero
Councilman Denzer
Councilman Amundson (Arrived at 7:34)

And the following were absent: Councilman McHattie (Excused).

Mayor Peterson presided at the meeting.

The minutes of the April 19, 1978 regular meeting were reviewed.

Motion that the minutes of the April 19, 1978 regular meeting be approved as mailed, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

County Commissioner William Axelrod appeared before the Council concerning the County's use of the City's burning site for diseased trees.

Councilman Amundson arrived at 7:34 p.m.

Motion that the County be authorized to use the City's diseased tree burning site and that the fees previously adopted by this Council for such use be charged, made by Councilman Hammero. Seconded by Councilman Denzer. Carried viva voce.

The Clerk presented an affidavit showing publication in the official newspaper of the Notice of Hearing to be held on this date and at this time with respect to the application of the Red Rock Softball Team for a Temporary "On Sale" Non-Intoxicating Malt Liquor License, which affidavit was examined, approved and ordered placed on file in the office of the City Clerk.

The Clerk then read aloud the Notice of Public Hearing.

The Mayor then opened the public hearing for consideration of any comments or objections.

The Attorney advised the Council that the hearing was being held in compliance with law.

There being no comments or objections, motion that the application of the Red Rock Softball Team for a Temporary "On Sale" Non-Intoxicating Malt Liquor License for May 6 & 7, 1978 at the East Cottage Grove Ballfields, be approved, made by Councilman Amundson. Seconded by Councilman Denzer. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

The Clerk presented an affidavit showing publication in the official newspaper of the Notice of Hearing to be held on this date and at this time with respect to the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License, which affidavit was examined, approved and ordered placed on file in the office of the City Clerk.

The Clerk then read aloud the Notice of Public Hearing.

The Mayor then opened the public hearing for consideration of any comments or objections.

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The Attorney advised the Council that the hearing was being held in compliance with law.

There being no comments or objections, motion that the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License for May 19, 20 & 21, 1978 at the East Cottage Grove Ball-fields, be approved and that the fee be waived, made by Councilman Denzer. Seconded by Councilman Hammero. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

The Clerk presented an affidavit showing publication in the official newspaper of the Notice of Hearing to be held on this date and at this time with respect to the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License, which affidavit was examined, approved and ordered placed on file in the office of the City Clerk.

The Clerk then read aloud the Notice of Public Hearing.

The Mayor then opened the public hearing for consideration of any comments or objections.

The Attorney advised the Council that the hearing was being held in compliance with law.

There being no comments or objections, motion that the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License for May 19, 20 & 21, 1978 at Hamlet Park, be approved and that the fee be waived, made by Councilman Hammero. Seconded by Councilman Denzer. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

The Clerk presented an affidavit showing publication in the official newspaper of the Notice of Hearing to be held on this date and at this time with respect to the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License, which affidavit was examined, approved and ordered placed on file in the office of the City Clerk.

The Clerk then read aloud the Notice of Public Hearing.

The Mayor then opened the public hearing for consideration of any comments or objections.

The Attorney advised the Council that the hearing was being held in compliance with law.

There being no comments or objections, motion that the application of the Cottage Grove Athletic Association for a Temporary "On Sale" Non-Intoxicating Malt Liquor License for June 24, 1978 at Hearthsides Park, be approved and that the fee be waived, made by Councilman Denzer. Seconded by Councilman Hammero. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

The Council considered the request of Vernon Eide for rezoning certain property located on 85th Street South. The Engineer gave a report concerning the alternatives of serving the proposed site to be rezoned with sanitary sewer facilities.

Councilman Amundson introduced the following ordinance and moved for its adoption:

ORDINANCE NO. 281

AN ORDINANCE FOR THE CITY OF COTTAGE GROVE, MINNESOTA
AMENDING CITY CODE CHAPTER 28 RELATING TO ZONING

The City Council of the City of Cottage Grove, Washington County, Minnesota, does ordain as follows:

SECTION 1. AMENDMENT. "The Code of the City of Cottage Grove, Minnesota" is hereby amended by amending "Chapter 28, Article I, Sec. 28-6" to read as follows:

The Official Zoning Map shall be amended to change the classification of the hereinafter described property from its present classification of "B-2" Limited Business District to a classification of "R-5" Multiple Family District:

"That part of the East (E) 15 acres of the North half (N $\frac{1}{2}$) of the West half (W $\frac{1}{2}$) of the Southwest quarter (SW $\frac{1}{4}$) of Section 18, Township 27, Range 21, Washington County, Minnesota, described as the North (N) 200 feet thereof excluding the West (W) 150 feet.

SECTION 2. EFFECTIVE DATE. This ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed this 3rd day of May, 1978.

The motion for the adoption of the foregoing ordinance was duly seconded by Councilman Hamnero. Upon vote being taken thereon, the following voted in favor thereof: Councilman Amundson, Councilman Hamnero, Councilman Denzer, and Mayor Peterson. The following voted against the same: None. Whereupon said ordinance was duly declared passed.

The Council reviewed the application of Hoffert & Hoffert for approval of a preliminary plat.

Motion that the application of Hoffert & Hoffert for approval of a preliminary plat of five single family residential lots be approved subject to the following conditions:

1. All lots must meet the minimum design standards.
2. Sanitary sewer and water is available.
3. The proposed lots are north of the area designated for multiples on the City's Comprehensive Plan.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Denzer. Seconded by Councilman Amundson. Carried viva voce.

Motion that the application of Secure Properties, Inc. for a Conditional Use Permit for a gravel pit operation located in the Southeast $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 5 be approved with the following conditions:

1. The northern edge of the pit be final graded and seeded this spring and further that the operator consult with the Washington County Soils Conservation Service in doing so.

2. All debris is covered and the shallow pit in the northwest corner should be filled.
3. All slopes that are not being actively worked should be sloped to a minimum ratio of 3 to 1.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Motion that the application of Fischer Construction Co. for a Conditional Use Permit for a gravel pit operation located in the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21 be approved, subject to the condition that the applicant continue the reclamation of the site; and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Motion that the application of Secure Properties, Inc. for a Conditional Use Permit for a gravel pit operation located in the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 8 be denied until the following conditions are met:

1. The area around the NSP pole shall be graded to a 3 to 1 slope. Terraces may be used rather than the original grading concept.
2. The owner shall contact the Washington County Soil Conservation Service and request aid in developing a soil stabilization and seeding program for the terraces. Said program shall be completed prior to further operation of the excavation.
3. All dead trees planted last year shall be replaced.
4. All slopes not being worked shall be graded to a 3 to 1 ratio.,

made by Councilman Amundson. Seconded by Councilman Hammero. Motion failed 2 ayes, 2 nays. Councilman Denzer and Mayor Peterson voting nay.

Motion that the application of Secure Properties, Inc. for a Conditional Use Permit for a gravel pit operation located in the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 8 be tabled, made by Mayor Peterson. Seconded by Councilman Denzer. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

Motion that the application of Solberg Construction Co. for a Conditional Use Permit for a gravel pit operation located in the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 8 be approved, with the following conditions:

1. The terraces along the south edge of the property line should be completed using a 3 to 1 slope.
2. The owner shall contact the Washington County Soils Conservation Service to request aid in developing a soil stabilization and seeding program for the terraces. All seeding shall be completed prior to issuance of any permits.
3. All overhangs and steep slopes shall be graded to a slope no more severe than 3 to 1.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Amundson. Seconded by Councilman Hammero. Carried viva voce.

Motion that the application of Solberg Construction Co. for a Conditional Use Permit for rock crushing located in the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 21 be approved, subject to the following conditions:

1. The west face of the excavation area should be final graded to a 3 to 1 ratio and seeded.
2. Prior to completion of the reclamation, the operator should contact the City Engineer for an inspection to insure that the grade will not interfere with the storm water drainage pattern.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Motion that the application of William Kropelnicki for a Variance on lot size be approved, subject to the following conditions:

1. Wells must be located at least 75 feet from any on-site disposal system or drainfield.
2. Percolation test from each lot are completed and a copy is submitted to City Hall.,

made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Motion that the application of Harry T. Sheldon's for a Conditional Use Permit to construct a pylon sign on the site located at 7064 Pt. Douglas Drive South be approved, subject to the following conditions:

1. The sign does not exceed 22 feet in height.
2. The sign sets back 10 feet from all property lines.
3. The sign is located outside of the construction limits of the 61/Belden Overpass plans.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Denzer. Seconded by Councilman Amundson. Carried viva voce.

Motion that the application of Robert Beier for a Conditional Use Permit to expand a nursery operation located in the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 1 be approved, provided a screening plan is submitted to and approved by the Planning Department and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Denzer. Seconded by Councilman Amundson. Carried viva voce.

Motion that the application of Rose of Sharon Church for a Minor Subdivision be approved and that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Hammero. Seconded by Councilman Denzer. Carried viva voce.

Motion that the application of John Goebel for a Minor Subdivision in the SE $\frac{1}{4}$ of Section 2 be approved, subject to the following conditions:

1. A gravel surfaced road must be constructed to serve all lots in the subdivision. Said road shall be constructed according to specifications of Section 801.01 of the Subdivision Regulations. Said road must be at least 60 feet wide and must be dedicated to the City.
2. The road shall be completed or a bond posted in the amount of the cost to complete said road prior to the issuance of any building permits in the proposed subdivision.
3. The developer shall prepare and record subdivision restrictions and provide a copy of said recorded restrictions to the City, which

restrictions shall set forth that the City will not accept the road for maintenance purposes until such time there is a hard surface coating thereon, which coating meets applicable City standards.

4. The subdivision agreement shall include a statement that upon any further subdivision of Mr. Goebel's property, the developer shall dedicate a 60 foot right-of-way for road and utility purposes extending from the south line of the Franzmeier subdivision westward to intersect with the road serving the Goebel subdivision. This right-of-way shall be 60 feet wide.
5. The applicant must submit a Certificate of Survey prepared by a registered land surveyor.
6. No building permits shall be issued to any lots created in addition to the three lots under consideration unless the road is up-graded with hard surfacing and accepted for maintenance by the City.
7. Park dedication fees shall be paid in cash for each lot created.,

and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Amundson. Seconded by Councilman Hammero. Carried viva voce.

Motion that the application of Glendenning Farms, Inc. for a Minor Subdivision located in the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 21 be approved and further that the City Attorney is hereby directed to prepare the necessary resolution, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Staff advised the Council that Holm & Olson has made application for a Conditional Use Permit to conduct outdoor sales of nursery products in the City and that the Council will be holding a public hearing; however, Holm & Olson want to start operation prior to the approval. The Council had no objections.

Motion that the following license applications be approved: Lancer, Inc. - General Contractor's License, Metro Roofing Co. - General Contractor's License, Solberg Aggregate - Gravel Pit Operator, J.L. Shiely Co. - Gravel Pit Operator, Adam Rumpca - Gravel Pit Operator, Fischer Construction - Gravel Pit Operator, & Seegar Construction - General Contractor's License, made by Councilman Amundson. Seconded by Councilman Hammero. Carried viva voce.

Councilman Hammero introduced the following ordinance and moved for its adoption:

ORDINANCE NO. 282

AN ORDINANCE FOR THE CITY OF COTTAGE GROVE, AMENDING
THE ZONING ORDINANCE TO PROVIDE FOR ENVIRONMENTAL
ASSESSMENT AND IMPACT STATEMENTS

The City Council of the City of Cottage Grove, Minnesota, does ordain as follows:

SECTION 1. AMENDMENT. "The Code of the City of Cottage Grove, Minnesota," shall be amended by adding "Section 28-18.1" as follows:

Sec. 28-18.1. Environmental Assessment (EAW) and Impact Statements (EIS).

- (a) No zoning, building permit structure or land use, variance or ordinance amendment shall be approved prior to review by the Zoning Administrator

to determine the necessity for completion of a Minnesota Environmental Assessment Worksheet (EAW) as required by the Minnesota Environmental Quality Board Regulations (1977).

- (b) The purpose of an EAW is to assess rapidly, in a worksheet format, whether a proposed action is a major action with the potential for significant environmental effects, or in the case of a private action, whether it is of more than local significance.
- (c) Projects which shall be required to file a mandatory Environmental Assessment Worksheet (EAW) shall include:
 - (1) Construction of a new industrial park of more than three hundred twenty (320) acres in size.
 - (2) Construction of a facility or integral group of facilities with at least two hundred fifty thousand (250,000) square feet of commercial or retail floor space or one hundred seventy-five thousand (175,000) square feet of industrial floor space, or a mixture of commercial, industrial, and retail floor space totaling two hundred fifty thousand (250,000) square feet, unless located in an industrial park for which an EIS has already been prepared.
 - (3) Any industrial, commercial, or residential development of forty (40) or more acres, any part of which is within a floodplain area, as defined by the "Statewide Standard and Criteria for Management of Floodplain Areas of Minnesota".
 - (4) Construction of a commercial or industrial development, any part of which is within a shoreland area (as defined by Minnesota Statute 105.484 (1974), covering twenty thousand (20,000) or more square feet of ground space, not including access roads or parking spaces, and located on a parcel of land having one thousand five hundred (1,500) feet or more of shoreland frontage.
 - (5) Construction of a facility that generates more than a maximum of two thousand five hundred (2,500) vehicle trips per hour or a maximum of twelve thousand five hundred (12,500) vehicle trips per eight (8) hour period.
 - (6) Construction or opening of a facility for mining gravel, other non-metallic minerals, and fuels involving more than three hundred twenty (320) acres.
 - (7) An action that will eliminate or significantly alter a wetland of type 3, 4 or 5 (as defined in United States Department of Interior, Fish and Wildlife Service, Circular 39, "Wetlands of the United States, 1956") of five (5) or more acres either singly or in a complex of two (2) or more wetlands.
 - (8) Any marina and harbor project of more than twenty thousand (20,000) square feet of surface area.
 - (9) Construction of a new or additional residential development that

- includes one hundred (100) or more units in an unsewered area or five hundred (500) or more units in a sewerred area.
- (10) Construction of a residential development consisting of fifty (50) or more residential units, any part of which is within a shoreland area.
 - (11) Construction of a development consisting of "condominium-type" campgrounds, mobile home parks, or other semi-permanent residential and/or recreational facilities, any part of which is within a shoreland area exceeding a total of fifty (50) units or, if located in areas other than above, exceeding a total of one hundred (100) units.
 - (12) Conversion of forty (40) or more contiguous acres of forest cover to a different land use.
- (d) An optional EAW may be required by the City Council on any proposed action to determine if the project has the potential for significant environmental effects or if the project is of more than Community significance, provided any of the following situations exist:
- (1) The proposed project is in or near an area recognized in the Community Comprehensive Plan as being environmentally sensitive due to steep slopes, bluffline, exposed bedrock, floodplain or wetlands, streams or drainage areas, ground water, erodible soils, prime agricultural soils, or unique vegetation.
 - (2) The proposed project is in or near an area of natural aesthetics, scenic views, delineated critical area or unique natural beauty as recognized by the Comprehensive Plan, Planning Commission, or City Council.
 - (3) The proposed project significantly alters existing traffic patterns or increases the noise level on such roads or streets.
 - (4) The proposed project is adjacent to or near a public recreation land or conservation district or public open space, and allows or increases use, noise levels, traffic, or degrades air quality or natural aesthetics of said public land or conservancy district.
 - (5) The project proposed is the construction of a new industrial park of over one hundred (100) acres in size.
 - (6) The proposed project is the construction of a facility or integral group of facilities with at least one hundred thousand (100,000) square feet of commercial or retail floor space or at least one hundred thousand (100,000) square feet of industrial floor space, or a mixture of commercial, industrial and retail floor space totaling at least one hundred thousand (100,000) square feet, unless located in an approved area for which an EIS has already been prepared.
 - (7) The proposed project is construction or opening of a new facility for mining and/or processing of gravel, sand, other non-metallic minerals, and fuels involving ten (10) acres or more in any residentially zoned area or forty (40) acres or more in any other district.

- (8) The proposed project involves the construction of new or additional residential subdivisions that include twenty five (25) or more lots in an unsewered area.
 - (9) The proposed project involves the construction of new governmental facilities, or other tax exempt facilities such as schools, libraries and churches.
 - (10) The proposed project involves the construction or realignment of electric transmission lines, pipelines, or other major utility projects or easements.
 - (11) The proposed project involves the construction of a mobile home park consisting of ten (10) or more mobile home sites.
- (e) The Zoning Administrator or City Council shall prepare or cause to be prepared an Environmental Assessment Worksheet which is mandatory or optionally required. The project proposer shall provide the Zoning Administrator with sufficient detailed information to complete the worksheet or shall submit a draft worksheet. If sufficient detailed information is not made available from the project proposer or if the Zoning Administrator cannot complete the EAW because of time or manpower constraints, the Zoning Administrator may utilize professional consultant to gather necessary information and to complete the worksheet. Costs for such consultation shall be paid by the applicant as provided in Section 28-18.1 (p).
 - (f) Upon completion of said worksheet, the Zoning Administrator shall write a recommended finding from the worksheet on whether or not there are significant environmental effect or effects of more than local significance which shall require a Minnesota Environmental Impact Statement.
 - (g) The Zoning Administrator shall submit the Environmental Assessment Worksheet and his recommendation finding to the Planning Commission at its next regular meeting or special meeting before the next regularly scheduled board meeting. After reviewing the Zoning Administrator's written findings, the Planning Commission shall recommend to the City Council whether or not there are significant environmental effects from the project to require the writing of an impact statement. The Planning Commission may hear appeals of the Zoning Administrator's recommendation at this meeting.
 - (h) Within forty five (45) days of the date the project proponent filed a planning request, the City Council shall have reviewed any appeals, the Zoning Administrator's written finding, the Planning Commission recommendation, and shall have forwarded its final decision on the necessity for preparing an Environmental Impact Statement to the Minnesota Environmental Quality Board Monitor.
 - (i) Copies of the Zoning Administrator's written findings on the worksheet and the City Council's final decision shall be mailed to all points on the official Environmental Quality Board distribution list and to adjacent counties and municipalities likely to be directly impacted by the proposed project. The Zoning Administrator shall also submit an affidavit certifying the date and places copies of the worksheet were submitted.

- (j) Thirty (30) days after the date of the publication of the City Council's decision in the Environmental Quality Board Monitor, if no objections are filed with the EQB, the decision stands.
- (k) If preparation of an EIS is required, the proponent shall follow the procedure outlined in the State of Minnesota Quality Board Regulations concerning environmental impact statements. A draft impact statement, as prepared by or under the direction of the Zoning Administrator, shall be prepared and filed with the EQB within one hundred twenty (120) days of the decision to require an Environmental Impact Statement.
- (l) Any proposal project or use on which an EIS is required shall be considered a conditional use as defined in the current Zoning Ordinance and shall comply with the procedure for approval of a conditional use permit. Mitigating recommendations of the EIS shall be incorporated as conditions of issuance on the conditional use permit.
- (m) Time delays in the normal permit process caused by the filing and review of the EAW and/or EIS shall not be considered part of the permit approval time requirements within the ordinance. Such delays shall be considered as additional required time for each required permit. The permit process for the proposed project may be continued from the point it was interrupted by the Worksheet/EIS process.
- (n) Construction begun on projects requiring an EAW shall be halted at such time as an EIS is officially required by the Environmental Quality Board or local regulations.
- (o) Any applicant shall agree in writing as part of his application to reimburse the community prior to the issuance of any permits, for all reasonable costs, including legal, and consultants fees incurred in review of the applicant's project and its impact on the community.
- (p) The applicant shall deposit with the community an amount determined by the Zoning Administrator, necessary to cover such costs prior to commencement of the review or stage of the review. The applicant shall reimburse the security fund for any deficits caused if the amount actually expended or billed to the community by consultants exceeds the security fund balance. The community shall refund any money deposited in the security fund and not expended within ninety (90) days after final action on the application. The community shall not pay interest on such security deposits.

Passed this 3rd day of May, 1978.

The motion for the adoption of the foregoing ordinance was duly seconded by Councilman Denzer. Upon vote being taken thereon, the following voted in favor thereof: Councilman Hammero, Councilman Denzer and Mayor Peterson. The following voted against the same: Councilman Amundson. Whereupon said ordinance was duly declared passed.

Motion that the application of the Boondocks Tavern for a Set-Up License be approved and that the Mayor and Chief of Police be authorized to sign said application, made by Councilman Amundson. Seconded by Councilman Denzer. Carried 3 ayes, 1 nay. Councilman Amundson voting nay.

The annual report on municipal state-aid was reviewed.

The recommendation regarding the designation of additional state-aid streets was tabled until the June 7, 1978 regular meeting.

Staff presented to the Council a report requesting authorization to sell bonds for state-aid improvements in the amount of \$610,000 and for other improvements in the amount of \$1,060,000.

Councilman Amundson introduced the following resolution and moved for its adoption:

RESOLUTION NO. 78-42

RESOLUTION RELATING TO \$1,670,000 GENERAL OBLIGATION BONDS;
CALLING FOR THE PUBLIC SALE THEREOF

BE IT RESOLVED, by the City Council of the City of Cottage Grove, Minnesota, as follows:

1. Authorization and Sale. This Council has heretofore ordered the local improvement described below (the Improvement) to be constructed in the City, and has contracted or will contract for the construction of the Improvement, under and pursuant to Minnesota Statutes, Chapter 429. The present estimated total cost of the Improvement is as follows:

Construction

| | | |
|----------------------|--------------------|-------------|
| Sanitary Sewer | 282,900 | |
| Watermain | 376,300 | |
| Sewer Service | 62,000 | |
| Water Service | 68,000 | |
| Storm Sewer | 96,300 | |
| Street Lighting | 56,400 | |
| Street Curb & Gutter | 100,000 | |
| | <u>\$1,041,900</u> | \$1,041,900 |

| | | |
|--|--|--------------------|
| Bonds representing interest pursuant to Minnesota Statutes, Section 475.56 | | 18,100 |
| Total | | <u>\$1,060,000</u> |

It is hereby determined to be necessary and expedient for the City to sell and issue its Improvement Bonds, Series 1978, in the principal amount of \$1,060,000 to defray the expense incurred in making the Improvement, including every item of cost of the kinds authorized in Minnesota Statutes, Section 475.65, \$18,100 of said issue representing interest as provided in Minnesota Statutes, Section 475.56.

2. It is further found and determined to be necessary and expedient for the City to issue its general obligation State-Aid Streets Bonds, Series 1978 in the principal amount of \$610,000, \$10,000 of said issue representing interest as provided in Minnesota Statutes, Section 475.56, in anticipation of moneys allotted and to be allotted to the City from its account in the Municipal State-Aid Street Fund, as authorized in Minnesota Statutes, Section 162.18, for the purpose of constructing and improving certain state-aid streets in the City, as follows:

Jamaca Avenue Overpass

| | | |
|-----------------------|--------------|-----------|
| Construction | \$110,000 | |
| Land and right-of-way | 8,000 | |
| Administrative | <u>2,000</u> | |
| | \$120,000 | \$120,000 |

80th Street Overpass

| | | |
|-------------------------------------|----------------|-----------|
| City Share of Const. | \$ 85,000 | |
| Land and right-of-way | 250,000 | |
| City share of traffic signals | 40,000 | |
| Legal, Administrative & Contingency | <u>105,000</u> | |
| | \$480,000 | \$480,000 |

| | | |
|--|-------|---------------|
| Bonds representing interest pursuant to Minnesota Statutes, Section 475.56 | | <u>10,000</u> |
| | Total | \$610,000 |

3. Sale. This Council shall meet at the time and place specified in the notice of sale hereinafter prescribed for the purpose of receiving sealed bids and awarding sale of the Improvement Bonds, Series 1978 and the State-Aid Street Bonds, Series 1978 (collectively, the Bonds). The City Clerk is hereby authorized and directed to cause the notice of the time, place and purpose of the meeting to be published in the official newspaper of the City and in Commercial West, published in Minneapolis, Minnesota, once not less than ten days before the date of said meeting in substantially the following form:

NOTICE OF BOND SALE
\$1,670,000 GENERAL OBLIGATION BONDS
CITY OF COTTAGE GROVE, MINNESOTA

NOTICE IS HEREBY GIVEN that the City Council of the City of Cottage Grove, Minnesota, will meet at the City Hall, in Cottage Grove, Minnesota, on the 31 day of May, 1978, at 8:00 o'clock P.M., to receive, open and consider sealed bids for and award the sale of \$1,670,000 General Obligation Bonds of the City, consisting of \$1,060,000 Improvement Bonds, Series 1978 and \$610,000 State-Aid Street Bonds, Series 1978. The Bonds will be issued for the purpose of financing various state-aid street and improvement projects within the City. The Bonds will be in the denomination of \$5,000, will be dated May 1, 1978, and will mature serially on February 1 in the following years and amounts:

Improvement Bonds, Series 1978

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 1980 | \$150,000 | 1986 | \$25,000 |
| 1981 | 160,000 | 1987 | 20,000 |
| 1982 | 160,000 | 1988 | 20,000 |
| 1983 | 155,000 | 1989 | 40,000 |
| 1984 | 190,000 | 1990 | 35,000 |
| 1985 | 25,000 | 1991 | 50,000 |
| | | 1992 | 30,000 |

State-Aid Street Bonds, Series 1978

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 1979 | \$35,000 | 1986 | \$50,000 |
| 1980 | 30,000 | 1987 | 55,000 |
| 1981 | 40,000 | 1988 | 55,000 |
| 1982 | 40,000 | 1989 | 60,000 |
| 1983 | 45,000 | 1990 | 65,000 |
| 1984 | 35,000 | 1991 | 50,000 |
| 1985 | 50,000 | | |

Interest will be payable on February 1, 1979, and semiannually on each February 1 and August 1 thereafter. Bonds maturing in 1989 and later years shall be subject to redemption and prepayment on February 1, 1988 and any interest payment date thereafter at a price equal to 100 1/2% of their principal amount and accrued interest. All Bonds of the same maturity must bear interest at a single uniform rate, not exceeding 7% per annum from date of issue to maturity, and the net effective average rate of the issue may not exceed 7% per annum. An opinion as to the validity of the Bonds and the tax exempt nature of the interest thereon will be requested from Dorsey,

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Windhorst, Hannaford, Whitney & Halladay, of Minneapolis, Minnesota. Copies of a statement of Terms and Conditions for Receipt of Bids and Award of Sale and additional information may be obtained from the undersigned or from Ehlers & Associates, Inc., 507 Marquette Avenue, Minneapolis, Minnesota 55402; telephone 612-339-8291, Financial Consultants to the City.

Dated: May 3 , 1978.

BY ORDER OF THE CITY COUNCIL

Carl F. Meissner
City Clerk
Cottage Grove, Minnesota

4. Terms and Conditions of Receipt of Bids and Award of Sale. The following statement of Terms and Conditions for Receipt of Bids and Award of Sale shall constitute the terms and conditions for the sale and issuance of the Bonds and such terms and conditions are hereby authorized to be incorporated in material distributed to prospective bidders for the Bonds:

TERMS AND CONDITIONS FOR RECEIPT OF BIDS
AND AWARD OF SALE OF
\$1,670,000
GENERAL OBLIGATION BONDS
CITY OF COTTAGE GROVE (WASHINGTON COUNTY), MINNESOTA

The City Council of the City of Cottage Grove, Minnesota, will meet at the City Hall in Cottage Grove, Minnesota, on the 31 day of May, 1978, at 8:00 o'clock P.M., to receive, open and consider bids for and award the sale of \$1,670,000 General Obligation Bonds of the City (the Bonds), consisting of \$1,060,000 Improvement Bonds, Series 1978, and \$610,000 State-Aid Street Bonds, Series 1978.

PURPOSE

The Bonds will be issued for the purpose of financing the cost of constructing various state-aid street and improvement projects within the City, in accordance with the provisions of Minnesota Statutes, Chapters 429 and 475.

DATE, TYPE, DENOMINATION, MATURITIES AND REDEMPTION

The Bonds will be dated May 1, 1978, will be issued as negotiable investment securities with attached interest coupons, will be in the denomination of \$5,000 each unless designated otherwise by the purchaser within 48 hours of award of sale, and will mature serially on February 1 in the following years and amounts:

Improvement Bonds, Series 1978

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 1980 | \$150,000 | 1987 | \$20,000 |
| 1981 | 160,000 | 1988 | 20,000 |
| 1982 | 160,000 | 1989 | 40,000 |
| 1983 | 155,000 | 1990 | 35,000 |
| 1984 | 190,000 | 1991 | 50,000 |
| 1985 | 25,000 | 1992 | 30,000 |
| 1986 | 25,000 | | |

State-Aid Street Bonds, Series 1978

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 1979 | \$35,000 | 1986 | \$50,000 |
| 1980 | 30,000 | 1987 | 55,000 |
| 1981 | 40,000 | 1988 | 55,000 |
| 1982 | 40,000 | 1989 | 60,000 |
| 1983 | 45,000 | 1990 | 65,000 |
| 1984 | 35,000 | 1991 | 50,000 |
| 1985 | 50,000 | | |

Bonds maturing in 1989 and later years will be subject to redemption and prepayment at the option of the City in inverse order of serial numbers, on February 1, 1988, and any interest payment date thereafter at a price equal to their principal amount and accrued interest to the date of redemption plus a premium of 1/2% of their principal amount.

PAYING AGENT

Principal and interest will be made payable at a suitable bank in the United States recommended by the purchaser and approved by the City Council, and the City will pay the customary charges for this service provided that such recommendation is received within 48 hours after the sale, and the City Council will select the paying agent if the recommendation is not approved.

INTEREST PAYMENT DATES, RATES

Interest will be payable on February 1, 1979, and semiannually thereafter on each February 1 and August 1. All Bonds of the same maturity must bear interest at a single uniform rate from date of issue to maturity, not exceeding 7% per annum, expressed as an integral multiple of 5/100 of 1% per annum, represented by a single set of coupons. No rate of any maturity may be lower than the highest rate carried by any of the preceding maturities. No limitation is placed upon the number of rates which may be specified.

DELIVERY

The City will furnish without cost to the purchaser and within 40 days after award of sale the printed and executed Bonds, the legal opinion of Dorsey, Windhorst, Hannaford, Whitney & Halladay, of Minneapolis, Minnesota, and the usual no-litigation certificate. Delivery will be made without cost to the purchaser at the place of the purchaser's choice. Payment for the Bonds must be made in funds immediately available to the City on the date of delivery.

LEGAL OPINION

An opinion as to the validity of the Bonds and the tax exempt nature of the interest thereon will be requested from Dorsey, Windhorst, Hannaford, Whitney & Halladay, of Minneapolis, Minnesota. The legal opinion will be printed on the Bonds at the request of the purchaser. The legal opinion will state that the Bonds are valid and binding general obligations of the City.

TYPE OF BID AND AWARD

Sealed bids for not less than \$1,641,900 and accrued interest on the principal sum of \$1,670,000 must be mailed or delivered to the undersigned and must be received prior to the time of said meeting. Bidders must bid for all or none

of the Bonds; separate bids on the Improvement Bonds, Series 1978 and the State-Aid Street Bonds, Series 1978, will not be accepted. Each bid must be unconditional and must be accompanied by a cashier's check or certified check or bank draft in the amount of \$33,400, payable to the Clerk of the City, to be retained by the City as liquidated damages if the bid is accepted and the bidder fails to comply therewith. The bid authorizing the lowest net interest cost determined by the addition of any discount to and the deduction of any premium from the total interest on all Bonds from their date to their stated maturity will be deemed the most favorable. The net effective average rate of the issue may not exceed 7% per annum. The City reserves the right to reject any and all bids, to waive informalities and to adjourn the sale.

CUSIP NUMBERS

The issuer will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such printing to be done at the expense of the purchaser, if the purchaser waives any extension of the time of delivery caused thereby.

Information for bidders and bidding forms may be obtained from the undersigned or from Ehlers & Associates, Inc., 507 Marquette Avenue, Minneapolis, Minnesota 55402; telephone 612-339-8291, Financial Consultants to the City.

Dated: May 3 , 1978 .

BY ORDER OF THE CITY COUNCIL

Carl F. Meissner
City Clerk
Cottage Grove, Minnesota

5. Official Statement. The City Clerk, in cooperation with Ehlers & Associates, Inc., Financial Consultants to the City, is hereby authorized and directed to prepare on behalf of the City an official statement to be distributed to potential purchasers of the Bonds. Such official statement shall contain the statement of Terms and Conditions of Receipt of Bids and Award of Sale set forth in paragraph 4 and such other information as shall be deemed advisable and necessary to adequately describe the City and the securities, terms and conditions of the Bonds.

Passed this 3rd day of May, 1978.

The motion for the adoption of the foregoing resolution was duly seconded by Councilman Denzer. Upon vote being taken thereon, the following voted in favor thereof: Councilman Amundson, Councilman Denzer, Councilman Hammero, and Mayor Peterson. The following voted against the same: None. Whereupon said resolution was duly declared passed and adopted.

Motion that the Council call a special meeting for Wednesday, May 31, 1978 at 8:00 p.m. to open the bids on the bonds, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Staff presented a recommendation to the Council concerning the purchase of data processing equipment.

Motion that the Council authorize staff to prepare plans and specifications for the purchase or lease of data processing equipment, made by Councilman Amundson. Seconded by Councilman Hammero. Carried viva voce.

Motion that the Grove-Estates Fire Department's 1977 Annual Report be accepted and ordered placed on file in the office of the City Clerk, made by Councilman Amundson. Seconded by Councilman Hammero. Carried viva voce.

Motion that the Change Order for the 1978 seal coating project, reducing said project in the amount of \$5,588.70 be approved and that the Mayor and Clerk are hereby authorized to sign said Change Order, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Motion that a letter be sent to Mr. Dennis Dolan, inviting him to attend the next Planning Commission meeting as a prospective member, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Motion that a letter be sent to Ms. Bridget Crepeau, inviting her to attend the next Parks, Recreation & Natural Resources Commission meeting as a prospective member, and to Mr. Mark Weigel, inviting him to attend the next Economic Development Commission meeting as a prospective member, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Motion that Mr. Charles Borg be appointed to the Critical Area Advisory Committee, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Motion that James Seacrist be promoted to the rank of Sergeant to be effective May 16, 1978, and that said appointment be for a six month probationary period, made by Councilman Amundson. Seconded by Councilman Denzer. Carried viva voce.

Motion that Michael McKenzie be appointed as full-time Dispatcher for the City of Cottage Grove effective June 1, 1978, and that said appointment be for a six month probationary period, made by Councilman Denzer. Seconded by Councilman Hammero. Carried viva voce.

Motion that the Subdivision Agreement between Orrin E. Thompson Construction Corp. and the City of Cottage Grove for Woodridge Addition be approved, with the following changes:

1. Section 12 be changed to delete Outlots A & F.
2. Section 14 be changed to an amount to correspond with the land that was being dedicated to the O. Thompson Construction Corp. in Section 16.,

and that the Mayor and Clerk are hereby authorized to sign said agreement with these changes, made by Councilman Hammero. Seconded by Councilman Denzer. Carried viva voce.

Council Meeting - May 3, 1978

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The Council reviewed the letter from the Association of Metropolitan Municipalities regarding the annual dues for 1978-79. No action taken.

Motion that the bills as presented be allowed, made by Councilman Denzer. Seconded by Councilman Hamnero. Carried viva voce.

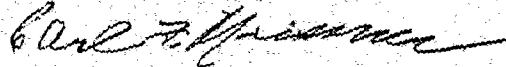
Staff advised the Council of the 1978 League of Minnesota Cities Convention to be held from June 7 thru June 9, 1978 at the Radisson Hotel in Minneapolis, Minnesota. All persons interested in attending should notify the Clerk Administrator so that registration fees can be paid.

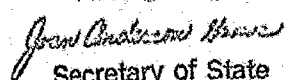
Motion that Mr. Gary Spooner be appointed as UN Day Chairman for 1978, made by Councilman Amundson. Seconded by Councilman Hamnero. Carried viva voce.

Motion that the meeting be adjourned, made by Councilman Denzer. Seconded by Councilman Hamnero. Carried viva voce.

Meeting adjourned at 10:40 p.m.

Respectfully submitted,


Carl F. Meissner
Clerk Administrator

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAY 8 - 1978

Secretary of State

#31456
O.D.

#31456