

**MINUTES
REGULAR MEETING
COOK CITY COUNCIL
JULY 26, 2012 – CITY HALL – 6 PM**

PRESENT: Mayor Harold Johnston, Councilors Jody Bixby, Kim Brunner, Karen Hollanitsch and Elizabeth Storm

ABSENT: None

OTHERS PRESENT: Administrator-Clerk/Treasurer Theresa Martinson, Maintenance Supervisor Bud Ranta, John Jamnick – JPJ Engineering, Monte Eastvold – Northland Securities, Cook News Herald and The Timberjay

Mayor Harold Johnston called the meeting to order at 6 PM.

PUBLIC FORUM:

Monte Eastvold, Northland Securities, reviewed with the council the refinancing of the city's two USDA (2005 and 2006) and one additional former US Bank Trust bond (2002). The previous trigger resolution allowed for locking in rates at 3.0422922%. The Standard & Poor's Ratings Services has assigned its 'A+' long-term rating to Cook, Minn.'s series 2012A general obligation (GO) sewer and water revenue refunding bonds. The possible ratings were A-, A or A+. The city's stellar credit rating was due to diligence and good fiscal management by city staff. The higher rating allowed for better rates which is good news for the City of Cook. The detailed costs of issuance of \$68,234.50 was reviewed and noted that the figure is calculated into refinancing amounts. The \$2.5 million debt for water and sewer improvements will be paid off by 2038 instead of 2046. The shortened payment schedule along with reduced interest will save the City of Cook approximately \$891,864 according to Northland Securities. Closing date will be August 22, 2012.

Motion by Storm, second by Bixby to adopt Resolution No. 120726, **PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$2,540,000 GENERAL OBLIGATION SEWER AND WATER REVENUE REFUNDING BONDS, SERIES 2012A AND AWARDING THE SALE THEREOF. MOTION CARRIED**

JPJ Engineer John Jamnick updated the council on the 2012 Drainage and Utility Improvements Project. The substantial completion date is July 29, 2012. It has been approximately three weeks since any activity has been done on the project by the contractor. Residents of First Avenue experienced hot water heater failures during temporary water hookups and have submitted claims and they have been passed onto the contractor. The same issue of non-completion by due date happened with contractor on the River Street Project. Engineer recommends termination process be started. Contractor would be put on notice for seven (7) days. Project concerns: Dust control, culverts, ditching, paving and restoration.

Motion by Brunner, second by Hollanitsch to give staff authority to send notice of termination of contract to Mesabi Bituminous on the 2012 Drainage and Utility Improvements Project based upon non-completion by July 29, 2012. **MOTION CARRIED**

Motion by Hollanitsch, second by Brunner to approve Partial Pay Estimate No. 2 in the amount of \$50,115.35 for 2012 Drainage and Utility Improvements Project to Mesabi Bituminous contingent upon progress towards substantial completion as recommended by JPJ Engineer John Jamnick. **MOTION CARRIED**

Engineer Jamnick and Maintenance Supervisor Ranta recommended installing some additional culverts at the Sunrise Addition lots. The lots were affected by the drainage improvements. Jamnick was advised to bring an estimate of additional work that needs to be done in that area to the next council meeting for consideration.

CONSENT AGENDA:

- A. Approval/correction of the Regular Council Minutes of June 28, 2012
- B. Bill Presentation Paid since last presentation \$ 170,078.50
- C. Reporting of the June 2012 Liquor Store Sales
 - | | <u>MTD</u> | <u>YTD</u> |
|------|---------------|---------------|
| 2012 | \$ 178,185.20 | \$ 642,026.58 |
| 2011 | \$ 157,371.17 | \$ 582,446.20 |
| | \$ 20,814.03 | \$ 59,446.20 |
- D. Resolution – June 2012 Donations Designated
- E. Airport Operator’s Report
- F. Ambulance Service Report
- G. Library Board Minutes of June 27, 2012

Motion by Hollanitsch, second by Storm to approve the consent agenda. **MOTION CARRIED**

COMMISSION AND STAFF REPORTS:

Airport

S.E.H. Engineers and Airport Coordinator Tom Woock have recommended final construction pay estimate be paid to KGM on the runway project. This will release the remaining retainage as the project is now complete and is approximately \$200 below the bid amount.

Motion by Brunner, second by Bixby to approve Final Pay Estimate No. 7 (FINAL) to KGM in the amount of \$3,000 and engineering services from S.E.H. in the amount of \$12,300 on the 2010 Runway Extension and Airport Improvements Project. **MOTION CARRIED**

Motion by Hollanitsch, second by Storm to adopt resolution authorizing the execution of the Minnesota Department of Transportation Grant Agreement for Airport Improvement Excluding Land Acquisition, State Project No. A6917-35, Agreement No. 01597 known as Arrivals Building Furnace and Seal Arrivals Building Exterior. The Mayor and Clerk are authorized to execute agreement on behalf of the city. City share is \$3,955.00. **MOTION CARRIED**

OLD BUSINESS: None.

NEW BUSINESS:

Motion by Bixby, second by Storm to approve Lakes Gas as the City of Cook’s propane supplier for the heating season beginning September 1, 2012 through August 30, 2013 based on the low bid of \$1.07/gallon. Lakes Gas has also provided a \$65/hour maintenance service rate. There will be no additional truck charges for any city deliveries. **MOTION CARRIED**

The Cook City Council supports the use of the Ambulance-Fire Hall for the 2012 Election by Owens Township.

COUNCIL FORUM:

Mayor Johnston stated that he attended the Children's Program Closing Ceremony sponsored through the Library and was amazed by the faces of the children with the magician. He felt it was wonderful to see in the community.

Councilor Storm commented about Music in the Park sponsored by the Cook Chamber of Commerce. She said it's delightful to see the kid's love the park, the music is wonderful, lots of people, great musicians, people dancing and cooking and the Farmer's Market available.

ADJOURNMENT:

Motion by Bixby, second by Storm to adjourn the regular council meeting at 6:53 PM.

MOTION CARRIED

Respectfully Submitted,

Theresa Martinson
Administrator-Clerk/Treasurer