

**FINANCE COMMITTEE MEETING
4:45 P.M.; MONDAY; FEBRUARY 13, 2012
CONFERENCE ROOM #1
CITY OFFICE BUILDING**

**Chair: Denis Anderson
Vice Chair: Rick Fagerlie**

**Members: Jim Dokken
Tim Johnson**

AGENDA

1. Conduit Financing – Dominion Project
2. Custodian Service Agreements
3. 2012 Street Program Preliminary Budget
4. Vehicle Replacement Program
5. Donation Acceptance – Willmar Area Disc Golfers
6. Donation – Fire Department
7. Hospital Debt Advance Refunding
8. Tax Exempt Government Bonds – Procedure's Policy
9. Miscellany
10. Adjourn

SOMERSET, EAGLE RIDGE AND WATERS EDGE
WILLMAR, MN

Responses to questions raised by City of Willmar (February 9, 2012)

- 1) Sources & Uses: Seller Note – \$3,146,922 Series B in Sources; \$1,558,011 Developer Fee & \$1,546,150 Pay down of Series B Equity Bridge in uses. Clarification is needed on the reason for the Series B note and how are the funds from that source being used. Also, who is the developer fee going to (owners?) and what is the pay down of Series B equity bridge for? There are concerns that the owners are taking too much cash out of the transaction.

Proceeds of the \$3,146,922 Series B Seller Note will be used to:

1) Bridge Housing Tax Credit Equity and 2) pay for a portion of acquisition cost. Housing Tax Credit Equity investors will only fund a portion of the equity investment at closing (usually 20%) and the balance will be contributed during and after the construction period. Because a portion of the equity is used for project rehabilitation, there is a need to “bridge” future equity contributions. Approximately \$1,546,150 of the post construction Housing Tax Credit Equity contributions will be used to pay down the balance of the Series B Seller Note shortly after construction completion. The balance of the proceeds of the Series B Seller Note will be used to pay for a portion of the project acquisition cost. Payment on the Series B Seller Note is subordinate to payments on the Series A Bonds and will be paid from excess project cash flow after the payment of operating expenses and Series A Bond payments. Payments on the Series B Seller Note will be amortized over 35 years.

Developer Fee – The developer fee is payable to Willmar Leased Housing Development IV, LLC a special purpose entity for this transaction. The Developer Fee is the maximum allowable under Minnesota Housing Finance Agency regulations. Maximizing the developer fee allows us to maximize tax credit basis and increases the total amount of tax credit equity that will be contributed to the Project. This equity provides a portion of the funds for the Project rehabilitation. Approximately 55% of the total Developer fee will be paid at closing. Approximately 45% of the total allowable Developer Fee will be deferred and paid out through cash flow over a period of nine years. Development Fees cover the company overhead (corporate office rent, equipment, salaries, etc...)

- 2) Who are the sellers and the buyers? Are they the same people? Again, concerns that the sellers are refinancing to pay themselves. If the owners are selling to themselves, what is the developer fee for? Who is it being paid to?

Sellers:

Eagle Ridge – Dominion Kansas I, LLC
Somerset – Dominion Minnesota III, LLC
Waters Edge – Dominion Minnesota III, LLC

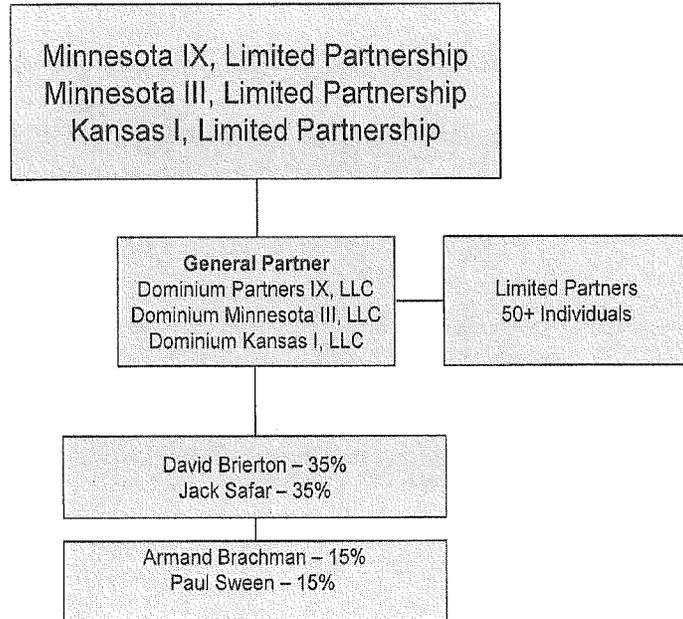
Buyers:

Willmar Leased Housing Development IV, LLC
All three properties will be put into one new ownership entity.

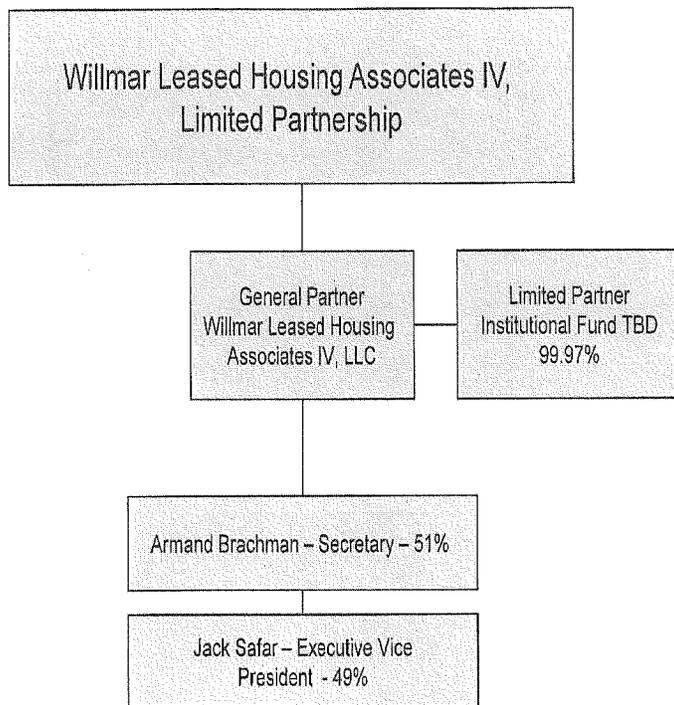
The ownership will be restructured through this resyndication. There are many original owners (50+ individuals). The current owners include multiple individual Limited Partners in addition to the four current Dominion Principals.

The new entity will consist of the four Dominion principals. For tax purposes this is required to be a new taxable entity and as such has over 50% ownership change. For all management purposes these properties will continue run by Dominion.

SELLING ENTITIES:



BUYING ENTITY:



- 3) Benefit to the community. Staff do not see benefit to the community in creating long term jobs, question having much of an impact on increased property taxes and so the focus is on preserving affordable housing. As we talked about in previous meetings, we want the apartment projects to continue to be eligible for the Section 8 voucher program participants which means the rents

have to fit within the voucher program payment standards. I am attaching the current payment standards which change annually in October. For a unit to be eligible for the program, the rent plus any tenant paid utilities cannot exceed the payment standard for the unit. When a tenant moves into a unit, the landlord declares to the HRA what utilities the tenant will have to pay for. The HRA then uses its internal utility schedule and adds the cost to the rent to determine if it meets the payment standard threshold. I am also attaching the HRA's utility schedule. I believe that tenants in the apartment buildings currently pay for electrical cooking, lights, water, sewer and garbage. We would like to see 40% of the total units be eligible for the Section 8 program. Can you provide a 5-year proforma with updated rents?

Benefit to the community:

The projects provide affordable local housing for employees of industry and business that are located in the City of Willmar. Most of the resident living in these three apartment buildings work for Jenneo, at the local food service industries as well as the local retail stores such as Wal-Mart.

Several Dominion employees that work at the buildings also live in Willmar:

- Site Manager
- Assistant Manager
- Maintenance Personnel

Long term jobs

Without any rehab work there will be no job creation. Dominion will encourage the General Contractors bidding on this rehab work to consider local subcontractors.

Property taxes – the rehabilitation work is likely to increase the assessed value of the properties which we increase total property taxes. We estimate annual property taxes will increase to \$80,000 – an increase of \$26,654 over current property taxes payable.

Affordability (Eligible for Section 8)

The properties are currently required to maintain affordability at 60% Area Median Income Rents. The property has been accepting residents with Section 8 vouchers.

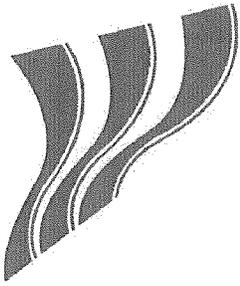
Dominium would consider keeping some of the units within the Section 8 voucher rent limits. The acceptable debt coverage can be achieved by providing 25 % of the units within the Section 8 voucher limits. This would require the designation of these residences as project based Section 8. Dominion is willing to cooperate and work with the HRA in good faith to make the required applications for 25% of the residences to become project based Section 8 units.

5-year updated rents:

	Year 1	Year 2	Year 3	Year 4	Year 5
	2012	2013	2014	2015	2016
	<i>Construction Year</i>	<i>Stabilization Year</i>			
Rental income:					
Gross potential Income	\$ 1,174,005	\$ 1,323,691	\$1,356,783	\$1,390,702	\$1,425,470
Less: Vacancy	5.0% (58,700)	(66,185)	(67,839)	(69,535)	(71,274)
<i>Gross Operating Income</i>	1,115,305	1,257,506	1,288,944	1,321,167	1,354,197

- 4) \$2,500 application fee. The City would like the conduit financing request fee paid to the HRA before the City Council meeting.

We will make the application fee payment.



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: February 13, 2012

Attachments: Yes No

CITY COUNCIL ACTION

Date: February 21, 2012

- Approved Denied
 Amended Tabled
 Other

Originating Department: Public Works Department

Action Requested: Award multiple contracts for Custodial Services.

Guiding Principle: *To obtain "Requests for Proposals" for various custodial services for public facilities.*

Introduction: Staff reviewed the need of custodial services for City buildings. Four RFPs for various maintenance needs were received and reviewed by the committee.

Background/Justification:

1. Due to the vacancy of one full-time custodial position and per the direction of the City Council, proposals were requested for various custodial needs including; window cleaning, floor cleaning, general custodial service at the Willmar Community and Activity Center, and general custodial service for other City buildings.
2. Staff reviewed each proposal based on cost, experience, expertise and references noted.
3. Staff recommends awarding a contract in the amount of \$18,980.04 to Service Master for Custodial Services at the following buildings: Public Works Garage, Airport, Old WWTF, New WWTF, and Fire Department.
4. Staff recommends awarding a contract in the amount of \$18,980.04 to Service Master for Custodial Services at the Willmar Community and Activity Center
5. Staff recommends awarding a contract in the amount of \$2,640 to Service Master for window cleaning at all City buildings.
6. Staff recommends awarding a contract in the amount of \$6,789 to Service Master for floor cleaning at the New WWTF, Fire Department, and City Hall.

Fiscal Impact: The cost for custodial services requested is \$47,389.08.

Alternatives:

1. Do nothing.
2. Award four separate contracts to Service Master.

Staff Recommendation:

Award 4 contracts totaling \$47,389.08 to Service Master.

1. Custodial Services at City buildings for \$18,980.04
2. Custodial Services at Willmar Community and Activity Center for \$18,980.04
3. Window Cleaning at City buildings for \$2,640
4. Floor Cleaning at WWTF, Fire Department and City Hall for \$6,789

and adjust the budgets accordingly:

Community Center 2012 Operating Budget

101.45435.0110:	\$ 23,565
101.45435.0113:	\$ 4,061
101.45435.0114:	\$ 16,537

Fire Department 2012 Operating Budget

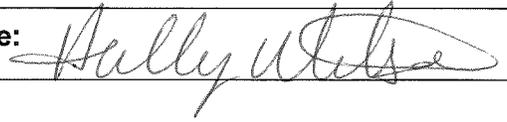
101.42412.0446:	\$ 3,227
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Total:	\$ 47,390
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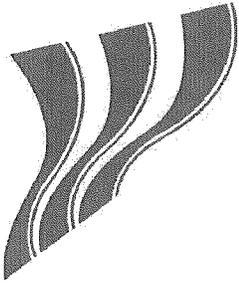
Reviewed by: Steve Brisendine, Marv Calvin, Holly Wilson

Preparer: Holly Wilson, Public Works Director

Signature:

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Comments:



CITY OF WILLMAR, MINNESOTA
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Attachments: Yes No

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|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Engineering

Action Requested: Receive Preliminary Budget for 2012 Improvement Projects

Guiding Principle: The City Engineer hereby submits to the City Council the Preliminary Budget for 2012 Street and Other Improvements

Introduction: The City Engineer has prepared the proposed budget for financing the costs for improvements in 2012.

Background/Justification: The City Council received the Improvement Report for 2012 Improvement Projects on February 6, 2012 and ordered an Improvement Hearing for March 5, 2012. The financing for the improvements needs to be established to order the improvements.

Fiscal Impact: Sources of funding for the 2012 Improvement Projects include monies from the Willmar Municipal Utilities, assessments, state aid and bond proceeds. The estimated total cost for the 2012 Improvement Project is \$2,737,000.00

Alternatives: 1. Amend the proposed budget or 2. Approve the budget as presented

Staff Recommendation: Adopt the budget as proposed.

Reviewed by: Holly Wilson, Public Works Director

Preparer: Janell Sommers, Public Works Secretary

Signature:

Comments:

RESOLUTION NO. _____
PRELIMINARY 2012 STREET IMPROVEMENTS BUDGET

ESTIMATED TOTAL COST \$2,737,000

*Budget Amounts are Essential

Dated: February 21, 2012

Code

PERSONNEL SERVICES

10*	Salaries Reg. Employees	
11*	Overtime Reg. Employees	\$500.00
12*	Salaries Temp. Employees	\$1,000.00
13*	Employer Pension Contr.	
14*	Employer Ins. Contr.	
	TOTAL	\$1,500.00

RECEIVABLES

Property Owners	\$564,000.00	
County	\$379,000.00	
State	\$280,900.00	
City	\$551,700.00	
City (MUC)	\$190,000.00	
LOST	\$726,400.00	
City (WWTP)	\$45,000.00	
	TOTAL	\$2,737,000.00

SUPPLIES

20*	Office Supplies	\$500.00
21*	Small Tools	\$500.00
22*	Motor Fuels & Lubricants	\$2,000.00
23*	Postage	\$1,000.00
24	Mtce. of Equipment	
25	Mtce. of Structures	
26	Mtce. of Other Improvements	\$500.00
27	Subsistence of Persons	
28	Cleaning & Waste Removal	
29*	General Supplies	\$1,000.00
	TOTAL	\$5,500.00

FINANCING

Bonds	\$1,115,700.00	
County	\$379,000.00	
State	\$280,900.00	
City (MUC)	\$190,000.00	
LOST	\$726,400.00	
City (WWTP)	\$45,000.00	
	TOTAL	\$2,737,000.00

GRAND TOTAL **\$2,737,000.00**

Dated: _____

OTHER SERVICES

30	Communications	
31*	Printing & Publishing	
32	Utilities	
33*	Travel-Conf.-Schools	
34	Mtce. of Equipment	
35	Mtce. of Structures	
36*	Mtce. of Other Impr.	\$2,353,400.00
37	Subsistence of Persons	
38	Cleaning & Waste Removal	
39*	Other Services	\$171,200.00
	TOTAL	\$2,524,600.00

Mayor

Attest:

City Clerk/Treasurer

OTHER CHARGES

40	Rents	
41*	Insurance & Bonds	\$2,000.00
42	Awards & Indemnities	
43	Subscription/Memberships	
44	Interest	
45	Licenses & Taxes	
46*	Prot. Serv.	\$25,000.00
47*	Advertising	\$2,000.00
48*	Adm. OH (Transfer)	\$156,400.00
49	Other Charges	\$20,000.00
	TOTAL	\$205,400.00

<u>Line Item</u>	<u>Proj. No.</u>	<u>Description</u>	<u>Cost w/o Eng</u>
36	01	street	2,233,683.25 (eng. Est.)
36	02	M/DOT WM	119,705.00 (eng. Est.)
39	xx	bridge	30,000 (eng. Est.)

Total **\$2,383,388.25**

GRAND TOTAL **\$2,737,000.00**

RESOLUTION NO. _____

RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE

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

1. Recitals.

A. The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the City's bonds used to reimburse the City for any project expenditure paid by the City prior to the time of the issuance of those bonds.

B. The Regulations generally require that the City make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

C. The City heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

D. The City's bond counsel has advised the City that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of City project costs first made by the City out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the City to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Council hereby authorizes the City Clerk to make the City's Declarations or to delegate from time to time that responsibility to other appropriate City employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

A. Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the City reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A, which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

B. Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

C. Care shall be taken so that the City, or its authorized representatives under this

Resolution, not make Declarations in cases where the City doesn't reasonably expect to issue reimbursement bonds to finance the subject project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

D. The Council shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the City has made Declarations.

3. Reimbursement Allocations. The designated City officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the City's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 21st day of February, 2012, by the Willmar City Council.

MAYOR

Attest:

CITY CLERK-TREASURER

EXHIBIT A

DECLARATION OF OFFICIAL INTENT

The undersigned, being the duly appointed and acting City Clerk of the City of Willmar, Minnesota (the "City"), pursuant to and for purposes of compliance with Treasury Regulations Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Willmar City Council to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed: Project 2012 Improvement Project.

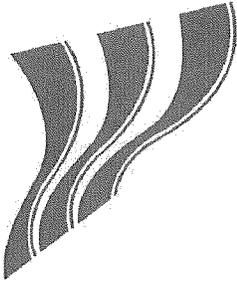
3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the City after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$_____ is the maximum principal amount of the Bonds, which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the Date thereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Dated: February 21, 2012

Kevin J. Halliday
City Clerk-Treasurer
City of Willmar, Minnesota



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: February 13, 2012

Attachments: Yes No

CITY COUNCIL ACTION

Date: February 21, 2012

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| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Public Works Department

Action Requested: Review Equipment Replacement Schedule and adopt the revised Vehicle/Equipment Policy.

Guiding Principle: *To update Willmar Vehicle/Equipment Policy and review City fleet needs.*

Introduction: A Vehicle/Equipment Committee was formed to review the need of all City vehicles and to update the City's Equipment Replacement Schedule and Vehicle/Equipment Policy.

Background/Justification:

1. A Vehicle/Equipment Committee consisting of Fire Chief Marv Calvin, Public Works Director Holly Wilson, Finance Director Steve Okins, and Police Chief Dave Wyffels, was formed to take an in depth look at the City's fleet needs.
2. The goals of the Vehicle/Equipment Committee was to make an unbiased determination of the needs for all vehicles listed on the Equipment Replacement Schedule and determine if the City's Fleet is adequate as far as number of vehicles as well as type of equipment needed for each department's users.
3. The Committee recommends eliminating 15 pieces of equipment from the fleet to be sold at the Spring 2012 Auction. Staff also recommends reassigning 9 vehicles as "general use" vehicles which can be checked out and used by any City employee for City business.
4. In addition to the replacement schedule, the committee also reviewed the Vehicle/Equipment policy. Overall, the Vehicle Replacement Policy is adequate to meeting the needs of the objectives for managing a systematic replacement schedule, reducing maintenance costs of equipment and ensuring the safety of the equipment operators.
5. The Equipment Replacement schedule will be reviewed annually as part of the budgeting process by the Vehicle/Equipment committee. Equipment replacement shall be recommended based on useful life, maintenance records, available funding, and comments summarized on the vehicle/equipment replacement verification/comment form. As part of the annual review, the Vehicle/Equipment Committee will consider Hybrid vehicles for replacement when applicable.

Fiscal Impact: The cost savings for equipment replacement in 2012 totals \$281,652 with an additional savings of approximately \$1400 due to insurance and license costs.

Alternatives:

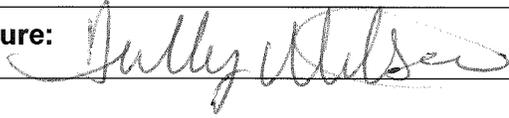
1. Do nothing.
2. Adopt the Systematic Equipment Replacement Schedule and Vehicle/Equipment Policy as presented.

Staff Recommendation: Adopt the Systematic Equipment Replacement Schedule and Vehicle/Equipment Policy as presented.

Reviewed by: David Wyffels, Marv Calvin, Steve Okins, Holly Wilson

Preparer: Holly Wilson, Public Works Director

Signature:

A handwritten signature in cursive script, appearing to read "Holly Wilson", written in black ink.

Comments:

CITY OF WILLMAR

VEHICLE/EQUIPMENT POLICY

Scope

This Equipment Vehicle Replacement Policy applies to all equipment owned by the City of Willmar.

Objective

It will be the objective of this policy to reduce annual maintenance and replacement costs of all City equipment. These objectives will be met through the systematic maintenance, upgrade, and/or replacement of equipment.

Procedure

The procedure of requesting additional equipment or altering the replacement schedule is to submit a written justification to the Vehicle/Equipment Committee during the annual budgeting process. This request shall include specifications, estimated vehicle costs, funding source and completion of the *Vehicle Replacement Comments Form*.

All vehicles/equipment replaced will be available to other departments by schedule priority. If the vehicle/equipment being replaced is better than one scheduled to be replaced at a later date, then other departments would be able to exchange the equipment, allowing a department to have the best equipment available until such time as its vehicle/equipment would normally be scheduled to be replaced.

Equipment reaching its useful life but not replaced due to non-appropriation, refurbishment or usage allowance shall cause the Vehicle Replacement Committee to reconvene and revise the schedule as priorities, maintenance and funding allows.

Any vehicle not assigned a critical function and/or in use shall be made available for general usage. Upon usage completion, vehicle must be fueled to $\frac{3}{4}$ tank minimum and cleaned appropriately. Scheduling of all general usage vehicles shall be done thru Outlook Calendar established and maintained by IT.

All new vehicles with radio requirements must include 800 mhz capabilities.

Joint purchasing agreements should be considered when possible (i.e., state contract, consortium purchase, cooperative purchasing ventures, etc.)

Review

An annual review will be done during the annual budget process by the Vehicle/Equipment Committee and submitted to the City Administrator at the same time as the annual budget. Modifications would be done through the approval of the Finance Committee.

Financing

The amount needed to finance the replacement program shall be funded through the normal budgeting process.

Allocations

<u>Vehicle Type</u>	<u>Recommended Useful Life (Years)</u>
Air Compressors	20
Cars	
<i>Squad Cars</i>	3
<i>Specialty</i>	5
<i>Other Cars</i>	8
Fire Apparatus	
<i>Aerial Trucks</i>	25
<i>Pumpers</i>	25
<i>Tankers</i>	25
<i>Quint</i>	25
Heavy Equipment	
<i>Graders</i>	20
<i>Loaders</i>	15
<i>Rollers</i>	15
<i>Sweepers</i>	8
Light Equipment	
<i>Mowers</i>	4
<i>Mt Trackless</i>	8
<i>Skid Loaders</i>	10
<i>UTVs</i>	7
Pickups (up to ¾ Ton)	10
<i>CSO Pickup</i>	5
Snow Blowers	15
Specialty Equipment	
<i>Bucket Trucks</i>	15
<i>Flusher Trucks</i>	10
<i>Hot Box</i>	15
<i>R-Vac</i>	10

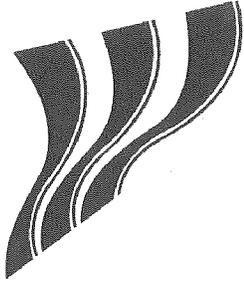
<i>Rodder/Tar Dist.</i>	20
<i>Semi Tractors</i>	10
<i>Speed Trailers</i>	15
<i>SWAT Bus</i>	20
SUV/Suburbans/Vans	10
Tractors	20
Trucks (1 Ton)	12
<i>Dump Truck</i>	10

Replacement/Additions/Alterations Procedure

1. *Vehicle Replacement Comments Form* to be assembled along with necessary attachments
2. *Vehicle Replacement Comments Form* distributed to appropriate Department Director (copies sent to Vehicle/Equipment Committee)
3. Department Director obtains information & comments from staff
4. Department Director submits completed forms to the Vehicle/Equipment Committee
5. If City Administrator approves the request (If denied, originals to be returned to Vehicle/Equipment Committee):
 - Original form goes to the City Clerk
 - Copies to Finance Director
6. City Clerk notifies Department Director to obtain quotes (if over \$100,000 processes for bid advertising) or check the State contract
7. City Clerk and/or Department Director accepts bids and requests City Administrator's approval for purchase
8. Agreements signed by Mayor and City Administrator
9. Department Director receives and accepts vehicle
10. Department Director submit proper paperwork for payment (fixed asset sheet, invoice(s), pictures, manufacturer's statement of origin)
11. City Clerk licenses and insures vehicle

Systematic Equipment Replacement Schedule Changes

<u>Vehicles Eliminated from Fleet</u>	<u>Location of Vehicle</u>
2000 Ford Crown Vic.	Airport
2003 Ford Crown Vic.	Airport
2003 Ford Crown Vic.	City Hall
2000 Ford Taurus	City Hall
2001 Ford Taurus	City Hall
1996 Dodge Caravan	Leisure Services
2000 Ford Taurus	Police Department
1996 Lincoln Continental	Police Department
1999 Ford F-150	Public Works
1991 GMC	Public Works
1997 Ford 1-ton	Public Works
1997 Ford 1-ton	Public Works
2002 Ski Doo Skandic	Public Works
2003 John Deere Mower	Willmar Community and Activity Center
2005 Ford F-150	Waste Water Treatment Facility
<u>Vehicles reassigned as "General Use"</u>	
	<u>Location of Vehicle</u>
2004 Ford F-150 (Comm. Development)	Public Works Garage - City Hall
2009 Ford Escape (Comm. Development)	Public Works Garage - City Hall
1998 GMC Sierra 4x4 (Civic Center)	Civic Center
2011 Dodge Ram (Fire Department)	Fire Department
2002 Pontiac Montana Van (Police Department)	Police Department
1999 Ford F-150 (Engineering)	Public Works Garage - City Hall
2001 Chevrolet 1/2 ton (Engineering)	Public Works Garage - City Hall
2011 Ford Explorer (Engineering)	Public Works Garage
2010 Ford F-150 (WWTF)	old WWTF



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: _____

Meeting Date: February 13, 2012

Attachments: Yes No X

CITY COUNCIL ACTION

Date: February 21, 2012

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| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Community Education
Recreation

Action Requested: Approve \$590 donation from Willmar Area Disc Golfers and adjust the budget accordingly, Leisure Service Budget 101.45432.0226

Guiding Principle: Donation is for improvements to disc golf facilities in the City of Willmar.

Introduction: For the 2011 Disc Golf Season the club raised fees via programming and now wants to give back so the city will continue to improve the facilities.

Background/Justification: In 2011 the club assisted with adding a second tee box for each hole (9). This year the club is hoping the City of Willmar will place second pin placements at each hole. Put up hole signage so the course playability improves. Provide benches at each Tee box for players to relax as they prepare to play each hole.

Fiscal Impact: These resources will assist Public Works and CER to provide the improvements requested.

Alternatives:

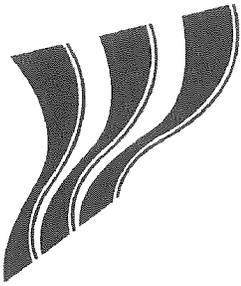
Staff Recommendation: To approve the request as printed above.

Reviewed by:

Preparer: Steve Brisendine

Signature:

Comments: We thank the club for their efforts and look forward to working with them in the future to improve the disc golf offerings in the community.



CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: _____

Meeting Date: February 13, 2012

Attachments: Yes No

CITY COUNCIL ACTION

Date: February 21, 2012

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: **Fire**

Action Requested:

Accept a \$140 donation to the Fire Department and adjust the 2012 operating budget accordingly.

Guiding Principle:

Notification to Council of donation received.

Introduction:

The Willmar Fire Department has received a donation of \$140 from Fancy Coats Pet Grooming and Inn.

Background/Justification:

The Willmar Fire Department has received a \$140 donation Fancy Coats Pet Grooming and Inn. These dollars are to be put toward pet life kits purchased by the Fire Department, which the firefighters received training on in September 2011. Staff asks Council to accept this donation and have the Fire Department's 2012 operating budget adjusted accordingly.

Fiscal Impact: Adjust the Fire Department 2012 operating budget by \$140

Alternatives: N/A

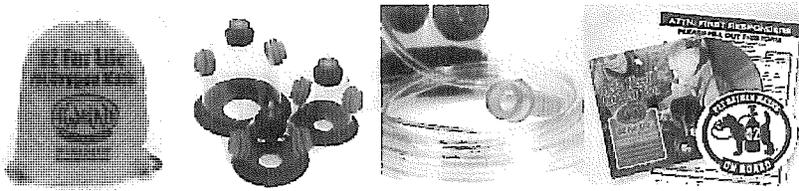
Staff Recommendation: Accept the donation and adjust the Fire Department 2012 operating budget accordingly.

Reviewed by:

Preparer: Marv Calvin, Fire Chief

Signature:

Comments:



The Wag'N O2 Fur Life® Kit includes:

- o 3 Oxygen Masks - 1 small, 1 medium & 1 large
- o 3 Oxygen Air Tubes - 1 for each mask, 22 mm diameter
- o 1 Wag'N O2 Fur Life Carry Bag for easy storage & mobility
- o 1 Laminated Instruction Sheet which includes ABCs of CPR For Cats & Dogs
- o 1 Kennel Lead for animal restraint & control
- o 2 Animal Incident Report (AIR) Forms for First Responders - carbonless 3-part form
- o 1 Pet Rescue Notice Form provided in electronic format
- o 1 PowerPoint Presentation provided in electronic format
- o 1 "Pet Oxygen Masks On Board" Decal for display on vehicle

have valuable documented information of the on-scene treatment to better follow-up on animal care. In addition, the pet owners will have written documentation of what happened to their animals and where they have been taken to.

Two free AIR forms are included in each kit for First Responders. Additional forms can be ordered online in packs of 25 and 50. [Click here to order additional AIR Forms now.](#)

The **Pet Rescue Notice Form** is a more simplified version that can be left by first responders on the scene following an animal rescue from a gas leak alarm, Carbon Monoxide (CO) Alarm and in some cases fire alarms when the owner is not present. Its purpose is help reunite pets and owners following the rescue.

The Pet Rescue Notice form will be provided as a pdf link that is delivered in via email receipt upon completion of the purchase.

These forms were developed to compliment the Wag'N O2 Fur Life Kit contents. Their use is optional and may be completed at the sole discretion of each department.

Additional Content Available With Each Kit At No Extra Cost:

- o 1 "Pet Oxygen Masks On Board" Decal for display at station
- o 1 Wag'N Instructional DVD Pets Need Oxygen Too per department

Price: \$70 per kit (scroll down for purchase options)

*** * * Attention Veterinarians: * * ***

These masks are designated as Supplemental O2 Recovery Masks. If you're placing an order for clinical use, please click [HERE](#) to view our complete line of McCulloch Medical products.

HOW TO PURCHASE WAG'N PET OXYGEN MASK KITS
There are 5 methods to acquiring Pet Oxygen Mask Kits through the Wag'N O2 Fur Life® Program:

METHOD #1
Direct Purchase

First Responders (Fire Departments, EMS Services, K9 Police & Military K9 Teams, SART & CERT Teams) can purchase the kits directly through this site. Click below to order now.

[CLICK TO ORDER](#)

METHOD #2
Sponsor/Gift Purchase

Individuals, companies, charitable organizations and other members of the public can SPONSOR their first responders by ordering the kits directly through this site. Kits can be shipped directly to department and/or to sponsor.

[CLICK TO SPONSOR](#)

METHOD #3
Fellowship Program

First responders which are not budgeted for this type of equipment and cannot find sponsors in their community can apply for the Wag'N O2 Fur Life Fellowship Program. Through this venue, Wag'N Enterprises will raise the funds remotely and sponsor them. Click below to learn more and view a list of current Fellows.

[CLICK TO APPLY](#)

METHOD #4
Private Needs Purchase

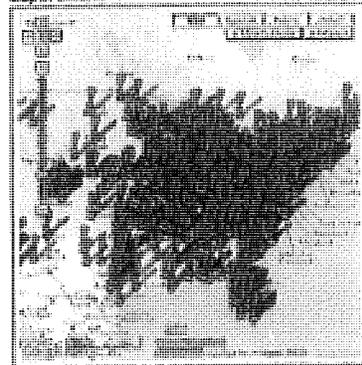
Pet parents and breeders whose pets may require in-home oxygen therapy for various health conditions can order pet oxygen masks for in-home use directly through this site. Click below for more information and

METHOD #5
Kit Parts & Forms Reorder

Previous purchasers now have the option to Reorder Pet Oxygen Mask Parts click to learn more and view all the available options.

We can help with Public Relations! Our PR team offers free media pitching to sponsors and first responders who wish to make their donation/acquisition public. Our goal remains to get

O2 Fur Life® Program has provided over 3,265 pet oxygen mask kits to over 1,166 departments in North America



CITY OF WILLMAR, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING POST-ISSUANCE COMPLIANCE
PROCEDURE AND POLICY FOR TAX-EXEMPT GOVERNMENTAL BONDS**

BE IT RESOLVED By the City Council (the "Council") of the City of Willmar, Minnesota ("City") as follows:

Section 1. Recitals.

1.01. The City from time to time issues tax-exempt governmental bonds to finance various public projects.

1.02. Under Sections 103 and 140 to 150 of the Internal Revenue Code of 1986, as amended (the "Code") and related regulations, the City is required to take certain actions after the issuance of such bonds to ensure that interest on those bonds remains tax-exempt.

1.03. The City has determined to adopt written procedures regarding how the City will carry out its bond compliance responsibilities, and to that end has caused to be prepared a document titled Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds (the "Policy").

1.04. The Council has reviewed the Policy has determined that it is in the best interest of the City to adopt the Policy.

Section 2. Policy Approved.

2.01. The Council approves the Policy in substantially the form on file in City Hall.

2.02. City staff are authorized to take all actions necessary to carry out the Policy.

Approved by the City Council of the City of Willmar, Minnesota, this __ day of _____, 2012.

Mayor

ATTEST:

Clerk

CITY OF WILLMAR, MINNESOTA

**POST-ISSUANCE COMPLIANCE PROCEDURE AND POLICY
FOR TAX-EXEMPT GOVERNMENTAL BONDS**

Adopted _____, 2012

Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds

The City of Willmar, Minnesota (the "Issuer") issues tax-exempt governmental bonds (TEBs") to finance capital improvements. As an issuer of TEBs, the Issuer is required by the terms of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"), to take certain actions after the issuance of TEBs to ensure the continuing tax-exempt status of such bonds. In addition, Section 6001 of the Code and Section 1.6001-1(a) of the Treasury Regulations impose record retention requirements on the Issuer with respect to its TEBs. This Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds (the "Policy") has been approved and adopted by the Issuer to ensure that the Issuer complies with its post-issuance compliance obligations under applicable provisions of the Code and Treasury Regulations.

1. Effective Date and Term. The effective date of this Policy is the date of approval by the City Council of the Issuer (_____, 2012) and this Policy shall remain in effect until superseded or terminated by action of the City Council of the Issuer.

2. Responsible Parties. The Finance Director of the Issuer (the "Compliance Officer") shall be the party primarily responsible for ensuring that the Issuer successfully carries out its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations. The Compliance Officer will be assisted by the staff of the Finance Department of the Issuer and by other Issuer staff and officials when appropriate. The Compliance Officer of the Issuer will also be assisted in carrying out post-issuance compliance requirements by the following organizations:

(a) Bond Counsel (as of the date of approval of this Policy, bond counsel for the Issuer is Kennedy & Graven, Chartered);

(b) Financial Advisor (as of the date of approval of this Policy, the financial advisor of the Issuer is Springsted Incorporated);

(c) Paying Agent (the person, organization, or officer of the Issuer primarily responsible for providing paying agent services for the Issuer); and

(d) Rebate Analyst (the organization primarily responsible for providing rebate analyst services for the Issuer).

The Compliance Officer shall be responsible for assigning post-issuance compliance responsibilities to members of the Finance Department, other staff of the Issuer (including hospital and utility administrative staff), Bond Counsel, Paying Agent, and Rebate Analyst. The Compliance Officer shall utilize such other professional service organizations as are necessary to ensure compliance with the post-issuance compliance requirements of the Issuer. The Compliance Officer shall provide training and educational resources to Issuer staff responsible for ensuring compliance with any portion of the post-issuance compliance requirements of this Policy.

3. Post-Issuance Compliance Actions. The Compliance Officer shall take the following post-issuance compliance actions or shall verify that the following post-issuance compliance actions have been taken on behalf of the Issuer with respect to each issue of TEBs:

(a) The Compliance Officer shall prepare a transcript of principal documents (this action will primarily be the responsibility of Bond Counsel or the Financial Advisor).

(b) The Compliance Officer shall file with the Internal Revenue Service (the "IRS"), within the time limit imposed by Section 149(e) of the Code and applicable Treasury Regulations, an Information Return for Tax-Exempt Governmental Obligations, Form 8038-G (this action will be the primary responsibility of Bond Counsel).

(c) The Compliance Officer shall prepare an "allocation memorandum" for each issue of TEBs in accordance with the provisions of Treasury Regulations, Section 1.148-6(d)(1), that accounts for the allocation of the proceeds of the tax-exempt bonds to expenditures not later than the earlier of:

(i) 18 months after the later of (A) the date the expenditure is paid, or (B) the date the project, if any, that is financed by the tax-exempt bond issue is placed in service; or

(ii) the date 60 days after the earlier of (A) the fifth anniversary of the issue date of the tax-exempt bond issue, or (B) the date 60 days after the retirement of the tax-exempt bond issue.

Preparation of the allocation memorandum will be the primary responsibility of the Compliance Officer (in consultation with the Financial Advisor and Bond Counsel).

(d) The Compliance Officer, in consultation with Bond Counsel, shall identify proceeds of TEBs that must be yield-restricted and shall monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted.

(e) In consultation with Bond Counsel, the Compliance Officer shall determine whether the Issuer is subject to the rebate requirements of Section 148(f) of the Code with respect to each issue of TEBs. In consultation with Bond Counsel, the Compliance Officer shall determine, with respect to each issue of TEBs of the Issuer, whether the Issuer is eligible for any of the temporary periods for unrestricted investments and is eligible for any of the spending exceptions to the rebate requirements. The Compliance Officer shall contact the Rebate Analyst (and, if appropriate, Bond Counsel) prior to the fifth anniversary of the date of issuance of each issue of TEBs of the Issuer which are subject to such rebate requirements, and each fifth anniversary thereafter, to arrange for calculations of the rebate requirements with respect to such TEBs. If a rebate payment is required to be paid by the Issuer, the Compliance Officer shall prepare or cause to be prepared the Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, Form 8038-T, and submit such Form 8038-T to the IRS with the required rebate payment. If the Issuer is authorized to recover a rebate payment previously paid, the Compliance Officer shall prepare or cause to be prepared the Request for Recovery of Overpayments Under Arbitrage Rebate Provisions, Form 8038-R, with respect to such rebate recovery, and submit such Form 8038-R to the IRS.

4. Procedures for Monitoring, Verification, and Inspections. The Compliance Officer shall institute such procedures as the Compliance Officer shall deem necessary and appropriate to monitor the use of the proceeds of TEBs issued by the Issuer, to verify that certain post-issuance compliance actions have been taken by the Issuer, and to provide for the inspection of the facilities financed with the proceeds of such bonds. At a minimum, the Compliance Officer shall establish the following procedures:

(a) The Compliance Officer shall monitor the use of the proceeds of TEBs to: (i) ensure compliance with the expenditure and investment requirements under the temporary period provisions set forth in Treasury Regulations, Section 1.148-2(e); (ii) ensure compliance with the safe harbor restrictions on the acquisition of investments set forth in Treasury Regulations, Section 1.148-5(d); (iii) ensure that the investments of any yield-restricted funds do not exceed the yield to which such investments are restricted; and (iv) determine whether there has been compliance with the spend-down requirements under the spending exceptions to the rebate requirements set forth in Treasury Regulations, Section 1.148-7.

(b) The Compliance Officer shall monitor the use of all bond-financed facilities in order to: (i) determine whether private business uses of bond-financed facilities have exceeded the limits set forth in Section 141(b) of the Code as a result of leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons; and (ii) determine whether private security or payments that exceed the limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such bond-financed facilities. The Compliance Officer shall provide training and educational resources to any Issuer staff who have the primary responsibility for the operation, maintenance, or inspection of bond-financed facilities with regard to the limitations on the private business use of bond-financed facilities and as to the limitations on the private security or payments with respect to bond-financed facilities.

(c) The Compliance Officer shall undertake the following with respect to each outstanding issue of TEBs of the Issuer: (i) an annual review of the books and records maintained by the Issuer with respect to such bonds; and (ii) an annual physical inspection of the facilities financed with the proceeds of such bonds, conducted by the Compliance Officer with the assistance with any Issuer staff who have the primary responsibility for the operation, maintenance, or inspection of such bond-financed facilities.

5. Record Retention Requirements. The Compliance Officer shall collect and retain the following records, if applicable, with respect to each issue of TEBs of the Issuer and with respect to the facilities financed with the proceeds of such bonds: (i) audited financial statements of the Issuer; (ii) appraisals, demand surveys, or feasibility studies with respect to the facilities to be financed with the proceeds of such bonds; (iii) publications and brochures related to the bond financing; (iv) trustee or paying agent statements; (v) records of all investments and the gains (or losses) from such investments; (vi) paying agent or trustee statements regarding investments and investment earnings; (vii) reimbursement resolutions and expenditures reimbursed with the proceeds of such bonds; (viii) allocations of proceeds to expenditures (including costs of issuance) and the dates and amounts of such expenditures (including requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks with respect to such expenditures); (ix) contracts entered into for the construction, renovation, or purchase of bond-financed facilities; (x) an asset list or schedule of all bond-financed depreciable property and any depreciation schedules with respect to such assets or property; (xi) records of the purchases and sales of bond-financed assets; (xii) private business uses of bond-financed facilities that arise subsequent to the date of issue through leases and subleases, licenses, management contracts, research contracts, naming rights agreements, or other arrangements that provide special legal entitlements to nongovernmental persons and copies of any such agreements or instruments; (xiii) arbitrage rebate reports and records of rebate and yield reduction payments; (xiv) resolutions or other actions taken by the governing body subsequent to the date of issue with respect to such bonds; (xv) formal elections authorized by the Code or Treasury Regulations that are taken with respect to such bonds; (xvi) relevant correspondence relating to such bonds; (xvii) documents related to guaranteed investment contracts or certificates of deposit, credit enhancement transactions, and financial derivatives entered into subsequent to the date of issue;

(xviii) copies of all Form 8038Ts and Form 8038-Rs filed with the IRS; and (xix) the transcript prepared with respect to such TEBs.

The records collected by the issuer shall be stored in any format deemed appropriate by the Compliance Officer and shall be retained for a period equal to the life of the TEBs with respect to which the records are collected (which shall include the life of any bonds issued to refund any portion of such TEBs or to refund any refunding bonds) plus 3 years.

6. Remedies. In consultation with Bond Counsel, the Compliance Officer shall become acquainted with the remedial actions under Treasury Regulations, Section 1.141-12, to be utilized in the event that private business use of bond-financed facilities exceeds the limits under Section 141(b)(1) of the Code. In consultation with Bond Counsel, the Compliance Officer shall become acquainted with the Tax Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31, 2008-11 I.R.B. 592, to be utilized as a means for an issuer to correct any post-issuance infractions of the Code and Treasury Regulations with respect to outstanding tax-exempt bonds.

7. Continuing Disclosure Obligations. In addition to its post-issuance compliance requirements under applicable provisions of the Code and Treasury Regulations, the Issuer has agreed to provide continuing disclosure, such as annual financial information and material event notices, pursuant to a continuing disclosure certificate or similar document (the "Continuing Disclosure Document") prepared by Bond Counsel and made a part of the transcript with respect to each issue of bonds of the Issuer that is subject to such continuing disclosure requirements. The Continuing Disclosure Documents are executed by the Issuer to assist the underwriters of the Issuer's bonds in meeting their obligations under Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12, as in effect and interpreted from time to time ("Rule 15c2-12"). The continuing disclosure obligations of the Issuer are governed by the Continuing Disclosure Documents and by the terms of Rule 15c2-12. The Compliance Officer is primarily responsible for undertaking such continuing disclosure obligations and to monitor compliance with such obligations.

8. Other Post-Issuance Actions. If, in consultation with Bond Counsel, Financial Advisor, Paying Agent, Rebate Analyst, or the City Council, the Compliance Officer determines that any additional action not identified in this Policy must be taken by the Compliance Officer to ensure the continuing tax-exempt status of any issue of governmental bonds of the Issuer, the Compliance Officer shall take such action if the Compliance Officer has the authority to do so. If, after consultation with Bond Counsel, Financial Advisor, Paying Agent, Rebate Analyst, or the City Council, the Compliance Officer and the Administrator determine that this Policy must be amended or supplemented to ensure the continuing tax-exempt status of any issue of governmental bonds of the Issuer, the Administrator shall recommend to the City Council that this Policy be so amended or supplemented.

9. Taxable Governmental Bonds. Most of the provisions of this Policy, other than the provisions of Section 7, are not applicable to governmental bonds the interest on which is included in gross income for federal income tax purposes. On the other hand, if an issue of taxable governmental bonds is later refunded with the proceeds of an issue of tax-exempt governmental refunding bonds, then the uses of the proceeds of the taxable governmental bonds and the uses of the facilities financed with the proceeds of the taxable governmental bonds will be relevant to the tax-exempt status of the governmental refunding bonds. Therefore, if there is any reasonable possibility that an issue of taxable governmental bonds may be refunded, in whole or in part, with the proceeds of an issue of TEBs, then for purposes of this Policy, the Compliance Officer shall treat the issue of taxable governmental bonds as if such issue were an issue of TEBs and shall carry out and comply with the requirements of this Policy with respect to such taxable governmental bonds. The Compliance Officer shall seek the advice of Bond Counsel as to

whether there is any reasonable possibility of issuing TEBs to refund an issue of taxable governmental bonds.