



## CITY OF FREEPORT

125 Main Street E – PO Box 301 – Freeport, MN 56331 – 320-836-2112  
For TTY/TDD Users 1-800-627-3529 or 711 Minnesota Relay Service [www.freeportmn.org](http://www.freeportmn.org)

**June 26, 2024** - Regular Meeting Agenda  
Freeport City Hall - 7:00 pm

### Call to Order

- I. Approve Agenda
- II. Public Forum
- III. Consent Agenda
  - a. May 28, 2024 Meeting Minutes (1-3)
  - b. Claims Report (4-5)
  - c. Sheriff's Report (6)
- IV. Reports
  - a. Clerk-Treasurer Report (7)
  - b. Fire Department Report (N/A)
  - c. Public Works Report (8)
  - d. Engineer Report (9)
  - e. Attorney Report (10)
- V. Old Business
  - a. Repainting Main St Gazebo (11)
  - b. Nuisance Properties (12)
- VI. New Business
  - a. Resolution 2024-12 Accepting the Offer of the United States of America to Purchase a \$2,657,000 Taxable General Obligation Improvement Bond of 2024B, Pledging Special Assessments for the Security Thereof and Levying a Tax for the Payment Thereof (13-24)
  - b. Neil Middendorf Property Assessment (25)
  - c. Public Works Vehicles (26)
- VII. Adjourn

Next Regularly Scheduled Meeting: July 30, 2024



## **CITY OF FREEPORT**

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[cityfrpt@albanytel.com](mailto:cityfrpt@albanytel.com)

### **May 28, 2024 – Council Meeting Minutes**

A regular meeting of the Freeport City Council was convened at 7:00 pm by Mayor Mike Eveslage, and council members Nick Arnzen, Sarah Blake, Tim Hennen & Jake Renneker.

Staff in attendance: City Clerk-Treasurer Jon Nelson, Public Works Director Loren Goebel, Fire Chief Andy Grieve, Engineer Dave Blommel, & City Attorney Scott Dymoke

Others in attendance: Carol Moorman – Star Post, Cheryl Fuechtmann – Freeport Screen Printing, Jason Hoeschen, Al Williams, Rich Primus – Lions President, Micah Pace – Creamery Owner, Branden Roering – Assistant Fire Chief

#### **Approve Agenda**

- Arnzen motioned to approve the agenda, seconded by Blake. Motion carried.

#### **Public Forum**

- Fuechtmann was looking for an update on the sidewalk in front of Freeport Screen Printing. It is an item coming up on the agenda.
- Williams expressed his concerns about loud vehicles driving recklessly and nuisance dog barking in his neighborhood.

#### **Consent Agenda**

- Renneker motioned to approve the consent agenda, seconded by Hennen. Motion carried.

#### **Reports**

##### **a. Clerk-Treasurer Report – Jon Nelson**

- Working on liquor licensing
- The green house on County 11 just south of I-94 has been a concern. The owners advised that it will be coming down in the next month. Council requested that the cracked-out foundation be covered or taped off to prevent anyone from entering the home.
- Public Works replacement vehicles will be presented next month.
- City-wide garage sales will be June 6, 7, & 8.

##### **b. Fire Department Report – Fire Chief Andy Grieve**

- Ham BBQ is on Father's Day.
- 5 calls last month.

- Pictures of the new rescue van were presented. It is being assembled in Florida and will be brought to the Cities when completed for pre-delivery inspection. Fire department will pick up after it passes inspection.

c. Public Works Report – Public Works Director Loren Goebel

- Pond discharges are done.
- MDH will be conducting a water system sanitary survey.

d. Engineer Report – City Engineer Dave Blommel

- Freeport will be receiving money from the MnDOT Alternative Transportation grant for installing an 8’ sidewalk along County 11 from 10<sup>th</sup> St SE to 3<sup>rd</sup> St SE. It will also include a push-button activated pedestrian crossing by Oak Station. Construction is expected spring 2025.
- Keuchle Underground is expecting to start construction for Welle Four Addition in 2-3 weeks.
- Design Electric will be starting our streetlight project after the Parish Festival.
- MnDOT has pushed our overpass project back to 2029.

e. Attorney Report – Attorney Scott Dymoke

- Nothing significant was addressed since the last meeting.

**New Business**

a. Creamery Property

- Dymoke addressed complaints at the creamery property. He said that while it is understood that people will come and go from the property to access their storage, it is not acceptable to use their storage rental as a place to hangout and hold gatherings. It is not to be an afterhours place.
- Pace expressed that he was notified of the complaints by Nelson and he has spoken with his tenants. Nelson provided Pace with a list of ordinances that have been violated on the property. Pace is going to amend his rental contract in order to have his tenants comply to the ordinances or risk being kicked out.
- Nelson requested to have the tenants access the property from Main St in order to calm traffic on 2<sup>nd</sup> St. Increased traffic is considered an intensification of the use of the non-conforming property which is against city code.

b. County 11 Sidewalk Repair

- Council reviewed a repair quote from Granite City Concrete Raising.
- Blommel and Nelson came to the conclusion that it is necessary to raise the concrete vs. grinding it down to prevent pooling and freezing in the winter.
- Fuechtmann would like to coordinate with GCCR to pour a new front step at Freeport Screen Printing at the time of the project.
- The City will send out notifications to the property owners that the City is ordering work on their sidewalk and that they will have 30 days to perform the repairs on their own or be billed by the City after work is completed.
- Arnzen motioned to accept the quote from GCCR, seconded by Hennen. Motion carried.

c. Sidewalk Grant Acceptance

- Renneker motioned to accept MnDOT's Alternative Transportation Grant money in the amount of \$407,165 for the County Road 11 Sidewalk Project, seconded by Hennen. Motion carried.
- d. Billboards for Welle Four Addition
  - Council discussed purchasing billboards to advertise the residential lots. Nelson received quotes from Lamar.
  - Arnzen motioned to enter a 1-year lease on billboard #20657 on the east side of Freeport, seconded by Hennen. Council requested that Nelson see if EDA is willing to pitch in for some of the cost. Motion carried.

**Adjourn**

Arnzen motioned to adjourn, seconded by Hennen. Motion carried.

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Mayor Mike Eveslage

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Clerk-Treasurer Jon Nelson

06/20/24  
10:19:28

CITY OF FREEPORT  
Claim Details  
For the Accounting Period: 6/24

Page: 1 of 2  
Report ID: AP100

For doc #s from 5916 to 5938  
\* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Line #	Check Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
5916	829 ABDO	7,970.00							
1	490572 05/31/24 Monthly Fee - May 2024	7,500.00			101 41000	300		10100	
2	490047 05/31/24 Payroll Prep - May 2024	470.00			101 41000	300		10100	
5917	626 FIRE SAFETY USA, INC	1,124.00							
1	186581 04/30/24 Trk 405-Annl Pump Srvc	566.50			225 42200	401		10100	
2	186582 04/30/24 Trk 406-Annl Pump Srvc	557.50			225 42200	401		10100	
5918	647 BADGER METER INC	27.27							
1	80161255 05/29/24 Beacon MBL Hosting Unit	13.63			601 43225	433		10100	
2	80161255 05/29/24 Beacon MBL Hosting Unit	13.64			602 43250	433		10100	
5919	123 DYMOKE LAW OFFICE, P.A.	592.00							
1	06/03/24 General Matters - May 2024	592.00			101 41000	302		10100	
5920	157 FREEPORT FIRE DEPT RELIEF ASSOC	7,850.00							
1	06/06/24 St. Rosa Donation	3,000.00*			225 42200	430		10100	
2	05/28/24 Lions - Hams	2,500.00*			225 42200	430		10100	
3	05/30/24 Lions - Horse Races	2,350.00*			225 42200	430		10100	
5921	835 FLAGSHIP RECREATION	14,469.10							
1	F22418 10/27/23 Lions Park Playground	14,469.10*			101 45200	510		10100	
5922	155 FREEPORT FARM CENTER, INC	59.00							
1	109397 05/23/24 Battery	59.00*			101 43100	220		10100	
5923	174 GOPHER STATE ONE CALL, INC	13.50							
1	4050408 05/31/24 Email Tickets - May 2024	13.50			601 43225	300		10100	
5924	187 HAWKINS, INC	30.00							
1	6783611 06/15/24 Chlorine Cylinders	30.00			601 43225	440		10100	
5925	605 HEARTLAND DOOR SALES INC	359.00							
1	35016 06/05/24 MFD Capacitor Labor	359.00*			225 42200	220		10100	
5926	219 JOANN TIMP	200.00							
1	06/19/24 June Cleaning Services	200.00			101 41000	300		10100	
5927	834 JON NELSON	53.60							
1	06/06/24 Mileage-Election Training	53.60			101 41000	335		10100	

06/20/24  
10:19:28

CITY OF FREEPORT  
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Page: 2 of 2  
Report ID: AP100

For doc #s from 5916 to 5938  
\* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Line #	Check Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
5928	889 LAMER COMPANIES	1,300.00							
1	116028813 06/10/24 Bulletins	1,300.00*			101 41000	340		10100	
5929	257 LEAGUE OF MN CITES INSURANCE	8,910.00							
1	06/03/24 Work Comp Ins 5/28/24-5/28/25	51.98			101 41100	360		10100	
2	06/03/24 Work Comp Ins 5/28/24-5/28/25	207.90			101 41400	360		10100	
3	06/03/24 Work Comp Ins 5/28/24-5/28/25	2,338.87			101 43000	360		10100	
4	06/03/24 Work Comp Ins 5/28/24-5/28/25	2,598.74			225 42200	360		10100	
5	06/03/24 Work Comp Ins 5/28/24-5/28/25	37.13			101 15500			10100	
6	06/03/24 Work Comp Ins 5/28/24-5/28/25	148.50			101 15500			10100	
7	06/03/24 Work Comp Ins 5/28/24-5/28/25	1,670.63			101 15500			10100	
8	06/03/24 Work Comp Ins 5/28/24-5/28/25	1,856.25			101 15500			10100	
5930	269 MARCO	155.23							
1	36772680 06/10/24 Copier Agreement	155.23			101 41000	410		10100	
5931	769 METRO SALES, INC	91.87							
1	INV2489643 03/20/24 Copier Rental	91.87			101 41000	410		10100	
5932	615 MAOSC	462.50							
1	06/20/24 2024-2025 Membership Dues	462.50			101 41000	433		10100	
5933	637 NORTHLAND TRUST SERVICES INC	2,455.00							
1	06/06/24 Bond Series 2013A Int Pymnt	2,455.00			601 43225	610		10100	
5934	782 RMB ENVIRONMENTAL LABORATORIES	140.03							
1	D059200 05/24/24 Discharge	140.03*			602 43250	430		10100	
5935	389 RAMLER TRUCK & TRAILER REPAIR,	99.15							
1	CI040337 05/23/24 Trk 404-Light Bulbs	99.15			225 42200	210		10100	
5936	418 SEH, INC	207.00							
1	468082 06/15/24 General Engineering	207.00			101 41000	300		10100	
5937	463 TEAM LABORATORY CHEMICAL CORP	2,357.50							
1	INV0041595 06/12/24 Terra Plus/Mega Bugs Plus	2,357.50			602 43250	210		10100	
5938	809 VALLI INFORMATION SYSTEMS, INC	75.00							
1	94765 05/31/24 Online Monthly Maintenance	75.00			101 41000	300		10100	
	# of Claims 23	Total: 49,000.75							

# **FREEPORT ALL CALLS**

<b>City</b>	<b>Date Received</b>	<b>Call #</b>	<b>Description</b>
FREEPORT	05/18/2024 17:49:47	24037954	AGENCY ASSIST
FREEPORT	05/07/2024 05:01:03	24034283	ALARM
FREEPORT	05/29/2024 22:01:24	24041384	ANIMAL BITE COMPLAINT
FREEPORT	05/22/2024 09:40:28	24039013	BUSINESS ASSIST
FREEPORT	05/19/2024 17:13:42	24038237	DEAD BODY
FREEPORT	05/01/2024 12:51:11	24032725	DRIVING COMPLAINT
FREEPORT	05/24/2024 19:30:21	24039779	EXTRA PATROL
FREEPORT	05/10/2024 15:06:19	24035463	EXTRA PATROL
FREEPORT	05/12/2024 15:30:30	24036049	MOTORIST ASSIST
FREEPORT	05/19/2024 00:38:17	24038082	NOISE COMPLAINT
FREEPORT	05/29/2024 14:52:44	24041259	STALLED VEHICLE
FREEPORT	05/29/2024 17:50:12	24041318	TRAFFIC STOP
FREEPORT	05/07/2024 12:46:24	24034394	TRAFFIC STOP
FREEPORT	05/08/2024 21:25:36	24034862	TRAFFIC STOP
FREEPORT	05/28/2024 10:36:43	24040692	VERBAL DISPUTE
FREEPORT	05/21/2024 12:46:43	24038795	WARRANT
FREEPORT	05/28/2024 10:05:26	24040683	WELFARE CHECK

# Memo

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From: Jon Nelson - Clerk-Treasurer

To: Freeport City Council

Date: 6/21/24

Re: Clerk-Treasurer Report

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1. Micah Pace, owner of the creamery, has been working his attorney to make amendments to his rental agreement. He is going to meet face-to-face with his tenants to discuss expectations and to have them sign the new agreement.
2. New billboard is up.
3. Workers' Comp Audit was completed.



Job Duty	Date	Initial
Well, tower, pond checks -	SUN 5/19/24	JK
Well, tower, pond, 1. Ft static checks, water samples, pond covers off started	MON 5/20/24	JK
#2 pond into #3, garbages, branches picked up, mowed	"	JK JM
Well, tower, pond checks, shop paperwork, clean well houses	TUE 5/21/24	JK
Well, tower, pond checks, static Drawdown, shop maint.	Wed 5/22/24	JK
Well, tower, lift static, pond checks, water samples, mowed, MOH <del>check</del>	THUR 5/23/24	JK JM
inspection, boring on 2nd st Na sewer line - garbages	"	JK
Well, tower, pond checks, garbages, bathrooms, paperwork -	FRI 5/24/24	JK
Rounds	SAT 5/25/24	JM
Rounds	SUN 5/26/24	JM
Well, tower, lift static, pond checks, water samples, garbages - Holiday	MON 5/27/24	JK
Well, tower, pond checks, mowed, preferred control here for creamery	TUE 5/28/24	JK
well issues, council meeting. -	"	JK
Well, tower, pond checks, mowed, light on flagpole. -	Wed 5/29/24	JK JM
Well, tower, lift static, pond checks, water samples, water meter	THUR 5/30/24	JK JM
readings, sprayed weeds -	"	JK JM
Well, tower, pond checks, got papers together for reports, new towel	FRI 5/31/24	JK
dispenser, sprayed weeds, garbages	"	JK JM
Well, tower, pond checks	SAT 6/1/24	JK
Well, tower, pond checks	SUN 6/2/24	JK
Well, tower, 1. Ft static, pond checks, water samples, MOH + MCA reports, <sup>garbages</sup> mowed	MON 6/3/24	JK
Well, tower, pond checks, 2ndly Inflow, mowed.	TUE 6/4/24	JK
Well, tower, pond checks, mowed bathrooms ballpack, garbages, -	Wed 6/5/24	JK
Well, tower, pond checks, <del>lift static</del> lift static	THUR 6/6/24	JK JM
Well, tower, pond checks	FRI 6/7/24	JM
Well, tower, pond checks	SAT 6/8/24	JM
Well, tower, pond checks	SUN 6/9/24	JM
Well, tower, 1. Ft static, pond checks, water samples, bathrooms, sprayed weeds <sup>garbages</sup>	MON 6/10/24	JK JM
Well, tower, pond checks, flushed hydrants, mowed	TUE 6/11/24	JK
Well, tower, pond checks, mowed, pre-discharge - alarm - motion <sup>203 leak</sup> creamery well	Wed 6/12/24	JK
Well, tower, 1. Ft static, pond checks, water samples, flushed hydrants (all) mowed	THUR 6/13/24	JK JM
Well, tower, pond checks, mowed lawn, read meters, garbages	FRI 6/14/24	JK
Well, tower, pond checks	SAT 6/15/24	JK
Well, tower, pond checks	SUN 6/16/24	JK
Well, tower, lift static, pond checks, water samples, swept streets	MON 6/17/24	JK
Well, tower, pond checks, swept streets -	TUE 6/18/24	JK
Well, tower, pond checks, (Holiday)	Wed 6/19/24	
Well, tower, pond checks, bathroom garbages	THUR 6/20/24	
Well, tower, pond checks	FRI 6/21/24	



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for All of Us®

## MEMORANDUM

TO: Freeport City Council

FROM: Dave Blommel, PE (Lic. MN)

DATE: June 20, 2024

RE: Council Update  
SEH No. FREEP GEN 14.00

### Welle Country Acres

Construction has begun in Welle! The trees have been removed from the subgrade and sanitary sewer was scheduled to begin on May 18<sup>th</sup>. Rain has prevented pipe installation but the contractor is setting up the site to drain better so work can begin in earnest the week of June 24<sup>th</sup>. The contractor has provided a schedule to start with sanitary sewer followed by water main, and then storm sewer. The pipe work is only about 6 weeks in duration, but with the current saturated soils, may take longer.

### Active Transportation Grant

We held a kickoff meeting with Stearns County, MnDOT, MnDOT state aid, and City staff to discuss the project and steps required to move forward. We have requested some forms from MnDOT district 3 to satisfy the grant staff and MnDOT central office. Once the forms are in place we will have the go ahead to start with design efforts.

Construction in 2025 or 2026 are both acceptable for the program, but we have informed MnDOT that the desire is to construct in 2025.

### Long Term Plan

I was able to assist Abdo with some of the long term plan information related to future street / utility projects. Two projects remain on the list within the next 5 years. Costs will be included in the plan being developed.

- Industrial Park Drive and 7<sup>th</sup> St SW Improvements
- 3<sup>rd</sup> Ave NE and 2<sup>nd</sup> Street NE Street and Utility Improvements

dwb

x:\fj\freep\common\\_council meeting\2024.06.20 m council update.docx

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 2351 Connecticut Avenue, Suite 300, Sartell, MN 56377-2485

320.229.4300 | 800.572.0617 | 888.908.8166 fax

SEH is 100% employee-owned and an Equal Opportunity Employer

**Dymoke Law Office, P.A.**

408 Main Street East, Unit 5

PO Box 127

Melrose, Minnesota 56352

Telephone (320) 256-4205

Fax (320) 256-7201

June 21, 2024

Jon Nelson  
City of Freeport  
125 Main Street East  
Freeport, MN 56331

BY ELECTRONIC MAIL

Re: Monthly Legal Report

Dear Mr. Nelson:

During the period from May 22, 2024 through June 21, 2024, we have given significant attention to the following project on behalf of the City of Freeport:

- **Creamery Building** – Confirmed that the Creamery Building property is zoned residential. Advised City Clerk that Creamery Building could continue to be used for storage as a nonconforming use, but any change of use or expansion of use must be permitted in residential districts.

Respectfully submitted,  
Dymoke Law Office, P.A.

*Scott E. Dymoke*  
by Scott E. Dymoke

cc: M. Eveslage

# Memo

From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 06/21/24

Re: Main St Gazebo Painting

I received the two following quotes for painting the gazebo structure and received one by text message for \$4,998.

**ESTIMATE**

Grandview Painting  
17058 Norman Rd  
Avon, MN 56310

grandviewpaintingpro@gmail.com  
+1 (320) 249-8040



**City Of Freeport**

Bill to  
Jon Nelson  
City Of Freeport

**Estimate details**

Estimate no.: 1650  
Estimate date: 06/04/2024

#	Date	Product or service	Description	Qty	Rate	Amount
1.		Paint	Grind/scuff area to be painted to prep for paint. Apply 1 coat Benjamin Moore rust inhibitor, apply 1 coat primer, apply 2 coat St's Macro Epoxy	1	\$2,910.00	\$2,910.00



**VIRNIG  
PAINTING  
COMPANY**

65 - 43rd Street Northeast Sauk Rapids, MN 56379  
Phone 320.259.5411 | Fax 320.259.8779  
Cell 320.492.9212 | Email pjvirnig@virnigpainting.com

Commercial | Industrial  
Painting | Wall Covering | Epoxy Floors

## Estimate

DATE	ESTIMATE NO.
3/18/2024	9871

CITY OF FREEPORT  
125 MAIN STREET EAST  
FREEPORT MN 56331

		PROJECT	
		Metal Gazebo	
ITEM	DESCRIPTION	COST	TOTAL
09901	Provide labor and material to prepare (1) coat of epoxy primer, and apply two (2) of polyurethane.	3,625.00	3,625.00

# Memo

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From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 06/21/24

Re: Nuisance Properties

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We will be discussing a new approach for addressing nuisance properties. A flow chart that is still being finalized at this time will be handed out at the meeting.

RESOLUTION 2024-12

EXTRACT OF MINUTES OF A MEETING  
OF THE CITY COUNCIL  
CITY OF FREEPORT, MINNESOTA

HELD: JUNE 25, 2024

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Freeport, Stearns County, Minnesota, was duly held at the City Hall June 25, 2024, at 7:00 p.m., for the purpose in part of awarding the sale of a \$2,657,000 Taxable General Obligation Improvement Bond of 2024B.

The following members were present: \_\_\_\_\_

and the following were absent: \_\_\_\_\_

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION 2024-12 ACCEPTING THE OFFER OF THE UNITED STATES OF AMERICA TO PURCHASE A \$2,657,000 TAXABLE GENERAL OBLIGATION IMPROVEMENT BOND OF 2024B, PLEDGING SPECIAL ASSESSMENTS FOR THE SECURITY THEREOF AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council (the "City Council") of the City of Freeport, Minnesota (the "City"), authorized the issuance and sale of \$2,657,000 General Obligation Utility Improvement Bond Anticipation Note of 2021A, bearing a date of original issue of December 29, 2021 (the "Temporary Note"), pursuant to Minnesota Statutes, Chapters 429 and 475, particularly Section 475.61(5), for the purpose of providing money to temporarily finance public improvements within the City (the "Project"), in anticipation of a long-term federal loan; and

B. WHEREAS, the Temporary Note matures on March 1, 2025, as provided in the resolution of the City Council, adopted August 1, 2021, authorizing the issuance of the Temporary Note (the "Prior Resolution") and under the terms of the Temporary Note and as part of the underlying security for the payment thereof, the City has covenanted to issue bonds for delivery and payment on or before the Call Date of the Temporary Note for the purpose of refunding the Temporary Note to the extent necessary to pay the principal and interest thereon, the payment of which has not otherwise been provided for; and

C. WHEREAS, the City Council deems it desirable and in the best interests of the City to refund the Temporary Note for payment on July 9, 2024 (the "Call Date"), in accordance with the Prior Resolution; and

D. WHEREAS, the City Council has heretofore determined that it is necessary and advisable to issue a \$2,657,000 Taxable General Obligation Improvement Bond of 2024B (the "Bond"), pursuant to Minnesota Statutes, Chapters 429 and 475, to provide funds, together with certain available funds of the City, if any, to refund the Temporary Note on the Call Date and to pay any issuance expenses of the Bond (the "Refunding"); and

E. WHEREAS, the City has determined to accept the offer of the United States of America, the United States Department of Agriculture (the "Government"), administered by Rural Development ("RD"), in accordance with the Letter of Conditions dated June 2, 2020 (the "Letter of Conditions"), to purchase a long term definitive bond of the City in the principal amount of \$2,657,000 for the purpose of financing the Refunding; and

F. WHEREAS, the Government's commitment to the City is for the purchase of one bond in the principal amount of \$2,657,000 with interest at the rate of two and one quarter percent (2.250%) per annum; and

G. WHEREAS, the Government has agreed to purchase the long term definitive bond without requirement of a public sale, as permitted by Minnesota Statutes, Section 475.60, Subdivision 2(4), and has elected to purchase the long term definitive bond in the amount of \$2,657,000 as one bond with principal installments payable in accordance with the maturity schedule hereinafter set forth; and

H. The City shall forthwith issue the Bond, which shall be in fully registered form without interest coupons, shall be dated, mature, bear interest, be subject to redemption and be payable as provided in the form of the Bond; and

I. WHEREAS, a contract or contracts for the Project have been made by the City with the approval of the Government and all other state and federal agencies of which approval is required.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Freeport, Stearns County, Minnesota, as follows:

1. Acceptance of Offer; Place of Payment. The offer of the Government to purchase the Bond of the City, at the rate of interest hereinafter set forth, and to pay therefor the sum of \$2,657,000, is hereby accepted, and the sale of the Bond is hereby awarded to the Government. The Bond shall be payable as to principal and interest at the RD Office, in St. Paul, Minnesota, or at such place or places as designated by the Government in writing.

2. Date; Denomination; Interest Rate; Maturities. The Bond shall be a fully registered negotiable bond dated as of the date of delivery and issued forthwith. Commencing on the date of this Bond and continuing through July 9, 2064 (the "Final Maturity Date") interest shall accrue on the outstanding principal balance at the rate of two and one quarter percent (2.250%) per annum (the "Interest Rate"), calculated based on a 365-day year. Principal and interest on this Bond shall be payable in 40 equal amortized installments each in the amount of \$101,445. All installments are payable on the 9th day of July commencing July 9, 2025 and continuing thereafter on July 9 of each year until the Final Maturity Date which payment

amounts are required to fully amortize the principal balance, together with accrued interest thereon at the stated Interest Rate over the term of the Bond. Payments shall be applied first to interest due on the principal balance and thereafter to reduction of the principal balance.

3. Purpose; Cost. The proceeds of the Bond (together with other available funds, if any, appropriated in paragraph 10) shall provide funds to finance the Refunding. The Bond is being issued pursuant to Minnesota Statutes, Chapters 429 and 475. It is hereby found, determined and declared that the Refunding shall provide moneys for the prompt and full payment of the principal and interest on the Temporary Note. The total cost of the Refunding, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, including legal and other professional charges, publication and printing costs, interest accruing on money borrowed for the Project before the collection of special assessments pledged therefor, and all other costs necessarily incurred and to be incurred from the inception to the completion of the Project, is estimated to be at least equal to the amount of the Bond.

4. Redemption. Any or all installments of principal due on the Bond are subject to prepayment at the option of the City on any date in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior to the prepayment date by mailing to the registered owner of the affected Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

5. Mandatory Redemption. The City acknowledges the provisions of 7 U.S.C 1983 (3) and right of the Government to require the redemption of the entire unpaid principal amount of the Bond in accordance therewith

6. Registration of Bond. At the time of issuance and delivery of the Bond, the officer of the City performing the functions of the treasurer (the "Clerk-Treasurer") shall register the Bond in the name of the payee in a bond register which his or her successors in office shall maintain for the purpose of registering the ownership of the Bond. The Bond shall be prepared for execution with an appropriate text and spaces for notation of registration. The force and effect of such registration shall be as stated in the form of Bond hereinafter set forth. Payment of principal installments and interest, whether upon redemption or otherwise, made with respect to a Bond, may be made to the registered holder thereof or to the registered owner's legal representative, without presentation or surrender of the Bond.

7. Form of Bond. The Bond, together with the Certificate of Registration thereon, shall be in substantially the following form:



UNITED STATES OF AMERICA  
STEARNS COUNTY  
CITY OF FREEPORT  
STATE OF MINNESOTA

\$2,657,000 TAXABLE GENERAL OBLIGATION IMPROVEMENT BOND OF 2024B

KNOW ALL PERSONS BY THESE PRESENTS THAT THE CITY OF FREEPORT, STEARNS COUNTY, MINNESOTA (the "City"), certifies that it is indebted and for value received promises to pay to the United States of America, the United States Department of Agriculture (the "Registered Owner"), or the registered assign, the principal sum of TWO MILLION SIX HUNDRED FIFTY SEVEN THOUSAND DOLLARS (\$2,657,000) or so much thereof that remains unpaid from time to time (the "Principal Balance"), with interest thereon from the date hereof until paid or otherwise discharged as set forth herein.

Interest Rate. Commencing on the date of this Bond and continuing through July 9, 2064 (the "Final Maturity Date") interest shall accrue on the outstanding principal balance at the rate of two and one quarter percent (2.250%) per annum (the "Interest Rate"), calculated based on a 365-day year.

Principal and Interest Payments. Principal and interest on this Bond shall be payable in 40 equal amortized installments each in the amount of \$101,445. All installments are payable on the 9th day of July, commencing July 9, 2025 and continuing thereafter on July 9 of each year until the Final Maturity Date which payment amounts are required to fully amortize the Principal Balance together with accrued interest over the term of the Bond. Payments shall be applied first to interest due on the Principal Balance and thereafter to reduction of the Principal Balance. Both principal and interest are payable at the Rural Development Office, in St. Paul, Minnesota, or at such place or places as designated by the United States of America in writing, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts. If the Registered Owner applies the debt service payments paid by the City to the outstanding principal on the Bond prior to July 9 of each payment year the remaining principal payment schedule shall be reamortized to provide similarly level annual installments of total debt service payments.

Redemption. Any or all installments of principal due on the Bond are subject to prepayment at the option of the City on any date in multiples of \$1,000, at par plus interest accrued to the date of prepayment. Notice of any such optional prepayment shall be given prior

to the prepayment date by mailing to the registered owner of the affected Bond a notice fixing such prepayment date and the amount of principal to be prepaid.

Mandatory Redemption. The City shall mandatorily redeem the unpaid outstanding principal amount of the Bond, at the direction of the holder of the Bond, in accordance with the provisions of 7 U.S.C 1983 (3).

Purpose; General Obligation. This Bond has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota for the purpose of providing money to finance public improvements within the City and is payable out of the Debt Service Account of the Taxable General Obligation Improvement Bond of 2024B Fund of the City. This Bond constitutes a general obligation of the City. To provide moneys for the prompt and full payment of said principal installments and interest when the same become due, the full faith, credit and taxing powers of the City have been and are hereby irrevocably pledged.

Registration; Transfer. This Bond shall be registered in the name of the payee on the books of the City by presenting this Bond for registration to the officer of the City performing the functions of the Clerk-Treasurer, who will endorse his or her name and note the date of registration opposite the name of the payee in the certificate of registration on the reverse side hereof. Thereafter this Bond may be transferred to a bona fide purchaser only by delivery with an assignment duly executed by the registered owner or the registered owner's legal representative, and the City may treat the registered owner as the person exclusively entitled to exercise all the rights and powers of an owner until this Bond is presented with such assignment for registration of transfer, accompanied by assurance of the nature provided by law that the assignment is genuine and effective, and until such transfer is registered on said books and noted hereon by the Clerk-Treasurer.

Taxable Interest. The interest on this Bond is included in the gross income of the owner hereof for purposes of United States income tax and to the same extent in both gross income and taxable net income for State of Minnesota income tax purposes.

Not Qualified Tax-Exempt Obligation. This Bond has not been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law and that this Bond, together with all other debts of the Issuer outstanding on the date hereof, being the date of its actual issuance and delivery, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Freeport, Stearns County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the manual signatures of its Mayor and its Clerk-Treasurer, the corporate seal of the City having been intentionally omitted as permitted by law, all as of July 9, 2024.

(do not sign)  
\_\_\_\_\_  
Mayor

(do not sign)  
\_\_\_\_\_  
Clerk-Treasurer

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Bond may be made only by the registered owner or the registered owner's legal representative last noted below.

<u>DATE OF REGISTRATION</u>	<u>REGISTERED OWNER</u>	<u>SIGNATURE OF CLERK-TREASURER</u>
July 9, 2024	USDA Rural Development Miscellaneous Servicing Branch, Mail Code 340D 4300 Goodfellow Blvd, Bldg 104 St. Louis, MO 63120-1703	(do not sign)

8. Execution. The Bond shall be executed on behalf of the City by the manual signatures of its Mayor and Clerk-Treasurer and be sealed with the seal of the City; provided, however, that the seal may be omitted as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bond may be signed by the manual signature of that officer who may act on behalf of such absent or disabled officer. In case either such officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

9. Delivery; Application of Proceeds. The Bond when so prepared and executed shall be delivered by the Clerk-Treasurer to the purchaser thereof upon receipt of the purchase price, and the purchaser shall not be obliged to see to the proper application thereof.

10. Fund and Accounts.

(a) All of the proceeds of the Bond shall be deposited in the Debt Service Account of the General Obligation Utility Improvement Bond Anticipation Note Fund (the "Prior Temporary Note Debt Service Account"), which amount, together with all other funds held therein, and with certain available funds of the City is sufficient to pay the outstanding Temporary Note on the Call Date.

(b) There is hereby created a special fund to be designated the "Taxable General Obligation Improvement Bond of 2024B Fund" (the "Fund") to be administered and maintained by the Clerk-Treasurer as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the installments of principal due on the Bond and the interest thereon have been fully paid. In such records there shall be established and maintained in the Fund a separate account, to be designated the "Debt Service Account". To the Debt Service Account there shall be credited: (i) collections of all taxes heretofore, herein, or hereafter levied for the payment of the principal and interest on the Bond; (ii) collection of special assessments levied in connection with the Project pledged for the payment of the Temporary Note and are herein pledged to the payment of the Bonds; (iii) all funds remaining on deposit in the Prior Temporary Note Debt Service Account established for the Temporary Bond after the same have been paid and discharged; (iv) all investment earnings on funds held in the Debt Service Account; and (v) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bond and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

11. Special Assessments. It is hereby determined that no less than twenty percent of the cost to the City of the Project financed by the Temporary Note within the meaning of Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Improvements. The special assessments have been levied and are payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the

declining balance of all such assessments at the rates per annum not less than the rate per annum set forth opposite the collection years specified below:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>	<u>Rate</u>
2023-2034	2024-2035	\$696,582.50	4.00%

12. Tax Levy; Coverage Test. To provide moneys for payment of the principal and interest on the Bond there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
2023	2024	\$32,286.78
2024	2025	\$32,286.78
2025	2026	\$32,286.78
2026	2027	\$32,286.78
2027	2028	\$32,286.78
2028	2029	\$32,286.78
2029	2030	\$32,286.78
2030	2031	\$32,286.78
2031	2032	\$32,286.78
2032	2033	\$32,286.78
2033	2034	\$32,286.78
2034	2035	\$32,286.78
2035	2036	\$106,509.16
2036	2037	\$106,509.16
2037	2038	\$106,509.16
2038	2039	\$106,509.16
2039	2040	\$106,509.16
2040	2041	\$106,509.16
2041	2042	\$106,509.16
2042	2043	\$106,509.16
2043	2044	\$106,509.16
2044	2045	\$106,509.16
2045	2046	\$106,509.16
2046	2047	\$106,509.16
2047	2048	\$106,509.16
2048	2049	\$106,509.16
2049	2050	\$106,509.16
2050	2051	\$106,509.16
2051	2052	\$106,509.16
2052	2053	\$106,509.16
2053	2054	\$106,509.16
2054	2055	\$106,509.16
2055	2056	\$106,509.16

2056	2057	\$106,509.16
2057	2058	\$106,509.16
2058	2059	\$106,509.16
2059	2060	\$106,509.16
2060	2061	\$106,509.16
2061	2062	\$106,509.16
2062	2063	\$106,509.16

The City has heretofore levied in 2023 for the payment of the Bond a direct ad valorem tax levy in the amount of \$32,286.78 which was spread upon the tax rolls and is collected with and as part of other general property taxes in the City.

The tax levies are such that if collected in full they, together with estimated collections of special assessments and other revenues herein pledged for the payment of the Bond, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bond. The tax levies shall be irrevocable so long as the Bond is outstanding and unpaid, provided that the City reserves the right and power to reduce the tax levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

13. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bond, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bond, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

14. No Defeasance. So long as Government is the holder of the Bond, the City shall not, and hereby covenants not to, cause the Bond to be defeased by the deposit of moneys or investments sufficient to pay the Bond more than ninety days after the deposit of such moneys or investments.

15. Certificate of Registration. The Clerk-Treasurer is hereby directed to file a certified copy of this resolution with the County Auditor of Stearns County, Minnesota, together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Bond has been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

16. RD Loan Resolution; Letter of Conditions. Each and all of the provisions of this resolution relating to the Bond are intended to be consistent with the provisions of the Loan Resolution (RUS Bulletin. 1780-12) adopted by the City, and to the extent that any provision in the Loan Resolution is in conflict with this resolution as it relates to the Bond, that provision shall control and this resolution shall be deemed accordingly modified. The City shall obtain insurance and fidelity bonds and undertake an annual audit as required by the Letter of Conditions. The City will not transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.

17. Payment of Temporary Note. The Temporary Note will be paid on the Call Date.
18. Temporary Note; Security. Until retirement of the Temporary Note, all provisions theretofore made for the security thereof shall be observed by the City and all of its officers and agents.
19. Notice of Call for Redemption. The City Council hereby ratifies and affirms the actions of the Clerk-Treasurer in notifying Minnesota Rural Water Finance Authority of the redemption of the Temporary Note on the Call Date as required by the Prior Resolution.
20. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to RD, and to the attorneys approving the legality of the issuance of the Bond, certified copies of all proceedings and records of the City relating to the Bond and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bond as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.
21. Taxable Status of the Bond. The City does not qualify the Bond as tax-exempt under the Internal Revenue Code of 1986, as amended. It is hereby determined that the Bond is to be issued as a fully taxable obligation, and all interest received on the Bond is to be included in the gross income of the holder of the Bond for federal income taxation purposes and, to the same extent, in both gross income and taxable net income for state income taxation purposes.
22. No Designation of Qualified Tax Exempt Obligation. The City will not designate the Bond as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code.
23. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.
24. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_ and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: \_\_\_\_\_

and the following voted against the same: \_\_\_\_\_

Whereupon the resolution was declared duly passed and adopted.



STATE OF MINNESOTA  
COUNTY OF STEARNS  
CITY OF FREEPORT

I, the undersigned, being the duly qualified and acting Clerk-Treasurer of the City of Freeport, Minnesota DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as such minutes relate to \$2,657,000 Taxable General Obligation Improvement Bond of 2024B.

WITNESS my hand on June 25, 2024.

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Clerk-Treasurer

# Memo

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From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 06/21/24

Re: Neil Middendorf Property Assessment

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Neil Middendorf's property has \$85,760 worth of deferred assessments from the Industrial Park infrastructure project. Last year, EDA voted to remove the assessment amounts on the remaining EDA-owned Industrial Park lots. Jason Murray advised that this project has been paid for and that it was a good idea to remove the assessments to stay competitive. I am requesting we do the same with Middendorf's property.

# Memo

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From: Jon Nelson, Clerk-Treasurer

To: Freeport City Council

Date: 06/21/24

Re: Public Works Vehicles

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I will bring an up-to-date list of available vehicles to the meeting. Prepare to discuss a price range and if you think we should move forward with a purchase.