GRAND MEADOW COUNCIL MEETING AGENDA
AUGUST 8, 2022 @ 6:00 PM
GRAND MEADOW COMMUNITY CENTER

1. CALL TO ORDER
    A. Pledge of Allegiance

2. CONSENT AGENDA: All items listed shall be approved by one motion, unless removed.
    A. Approve additions & corrections to agenda
    B. Approve minutes – July regular meeting and July 14th special meeting
    C. Approve General Fund bills $198,668.66

3. Emergency Services Communications – Mower County Sheriff's Department

4. REPORTS
    A. Library -
    B. Ambulance – provided
    C. Maintenance - provided
        i. Pine Lawn tree trimming completed
        ii. Water flow bid update – O'Connell Excavating bid
    D. Police – provided
    E. Fire – provided
    F. City Administrator - provided
    G. Clerk

5. OLD BUSINESS
    A. Street Project
        i. Contracts
        ii. Start date
        iii. Bond sale
    B. Citywide cleanup
    C. Sale of edible cannabinoids

6. NEW BUSINESS
    A. Special Meeting 8/22 – Adopt Sales Resolution

7. RESOLUTIONS
    A. Acceptance of donations to city parks

8. OPEN FORUM – Anyone addressing the council should limit discussion to approximately 3 minutes. Council will likely place the issue on next month's agenda to fully review prior to making a decision.

9. ADJOURN

Grand Meadow Council Meeting
July 11, 2022 @ 6:00pm
Grand Meadow Community Center

Present: Mayor Sandy Fenton, Councilor James Christian, Councilor Tony Warmka (via ZOOM), Councilor Kim Hill, City Administrator Scott Kerrins, City Clerk Chris Hyrkas, Sarah Burmeister (Library), Lori Brogan (GMAAS), Chief Jim Richardson, Officer Domanic Merkel (GMPD), Travis Warmka (GMFD), Tom Bleifus (Public Works), Derek Olinger (Bolton & Menk), Dawn Stier and Jim Davis (St. Finbarr Catholic Church), Brian and Terri Fruth and Robin Fruth-Dugstad and other community members.

CALL TO ORDER – The monthly meeting of the Grand Meadow City Council was called to order at 6:00 p.m. followed by the Pledge of Allegiance.

CONSENT AGENDA

Motion by J. Christian, second by K. Hill to approve the consent agenda. Motion carried unanimously.

REPORTS

A. Library – S. Burmeister reported no additions or corrections to submitted report.

B. Ambulance – L. Brogan reported no additions or corrections to submitted report.

C. Maintenance – T. Bleifus reported the following:

i. Tree Trimming Bid

Trees won't be trimmed at Pine Lawn until Fall because of Emerald Ash Borer requirements.

ii. Paving Bid

Paving will not occur until mid-August.

iii. Water Flow – Pheasant Run

O'Connell Excavating has not returned calls regarding the job. Bustad Excavating has not been out to look at the job.

iiii. There was a wash out by the catch basin near Arvig. Bustad Excavating looked at the problem and said they were too busy to complete the work. T. Bleifus will contact someone else to complete the work.

D. Police

Chief Richardson reported the following:

Grand Meadow passed its fifth audit. Audit focused on interview process and employee records.

Two neighbors are having property line issues.

There is a new evidence program that the county is requiring. iCrimeFighter is a cloud-based program the department will use to store evidence at a cost of $600.

Yard issues are slowly being worked on. Majority of residents are complying or showing a good faith effort.

K. Hill requested Chief Richardson stay and provide input for item 5.A. – Sale of Edible Cannabinoids.

E. Fire – Tr. Warmka reported no additions or corrections to submitted report.

F. City Administrator – S. Kerrins reported there are no additions to what is on the agenda.

G. City Clerk – C. Hyrkas reported there are no additions to what is on the agenda.

OLD BUSINESS

A. Street Project

i. M. Bubany provided a financial recommendation strategy for funding the street and utility project. There will be two funding sources with the state of Minnesota providing close to four million, supported through sewer revenue and rate adjustments. The second source will be with traditional funding supported by tax base from the Tax Increment Financing District, which will be decertified this year and revenue from bonds that will be expiring. Interest only payments will be made on traditional funding until additional revenues become available.

Normally a rated competitive sale would be used to bid the principal amount, but due to costs for a credit rating ($12,000.00 to $15,000.00) a negotiated sale is recommended. Credit rating would normally be beneficial, but due to elevated debt and delayed audits, public market sale would be detrimental. Under a negotiated sale, the sale is still to the public market; however, an underwriting firm is identified, who will piece the debt by selling to customers behind the scenes.

M. Bubany recommended using Robert W. Baird & Co. Inc., who is one of the leaders in Minnesota for selling bonds. If the council does not agree a formal request for proposal could be used. Another city recently used the negotiated method and is paying $20.00 per $1,000.00 of the bond amount conversely R.W. Baird is charging $12.50 per $1,000.00. T. Warmka asked how much would be borrowed. M. Bubany stated the maximum amount is 3.45 million.

M. Bubany reported he's been using 2.5% for planning purposes, but the State of Minnesota is currently offering 1.16%, which will reduce the amount of increase on rates. Additionally, the city has American Rescue Plan (ARP) funds that could be used for this project; however, he does not recommend using them because the decrease is minimal compared to the amount being borrowed and in the event funds are needed for emergency repairs ARP would be available. M. Bubany needs to know by Friday if the city would like to use them toward the project.

T. Warmka wanted to confirm we are paying the underwriter a broker fee for the underwriter to shop the sales. M. Bubany reported with a competitive sale and

shorter term the rate is usually closer to $8.00 per $1,000.00, but under the circumstances $12.50 is a good rate.

T. Warmka asked about additional fees for disclosures. M. Bubany explained the city doesn't have to hire David Drown for follow on disclosures and could do them on their own.

Motion by K. Hill, second by J. Christian Approving the Issuance of General Obligation Improvement Bonds Subject to the Approval of the Mayor and City Administrator and Ratification by the City Council. Motion carried unanimously.

M. Bubany also recommended approving the decertification resolution. He pointed out, while the tax levy is going to increase, it will be offset by the increase in tax base from the decertification.

Motion by J. Christian, second by K. Hill Approving the Decertification of Tax Increment Financing District No. 1-2 of the City of Grand Meadow. Motion carried unanimously.

Motion by J. Christian, second by K. Hill to suspend the meeting in order to start a new ZOOM session. Motion carried unanimously.

Motion by K. Hill, second by J. Christian to resume the meeting with a new ZOOM session. Motion carried unanimously.

ii. D. Olinger discussed funding points with Public Facilities Authority and required changes to be compliant with receiving funding. A resolution is needed confirming the city understands the requirements and agrees to increase rates as needed.

T. Warmka inquired if fees already paid by the city will be reimbursed by the funding. D. Olinger confirmed that was correct.

Motion by K. Hill, second by J. Christian Committing to Certain Financial Obligations for the Sewer System in Conjunction with Federal and State Funding for the 2022 Street & Utility Improvements and the 2023 Lift Station & Forcemain Improvement Projects. Motion carried unanimously.

D. Olinger discussed the new bids for the Lift Station & Forcemain Improvements. Four bids were received this round with all bids being higher than the first bid. D. Olinger explained from talking with the bidder during the first round that it was drastically underbid. In fact, that same bidder was the highest bidder the second round. The bids are higher than forecasted, due to increase costs in materials. All four bids were within $100,000.00 of each other. T. Warmka asked what the initial estimate was with D. Olinger replying $1,000,000.00, but after some modifications it changed to $1,400,000.00 and now the low bid from Pember Companies, Inc. is $1,921,193.00. T. Warmka asked how critical is it that we do this project. D. Olinger replied this is one of the more important issues, since the forcemain between the lift station and treatment ponds is heavily corroded and undersized, which is impacting the transfer of storm water during heavy rains.

Additionally, it's causing emergency discharges because of inflow and infiltration, which Minnesota Pollution Control Agency (MPCA) does not like and won't allow continuously. T. Warmka asked what the council was thinking. J. Christian replied he feels it's important, because everything flows through this pipe and when SEMA was constructed MPCA said they would not allow more capacity with the current setup. T. Warmka asked if we could get 1% interest through PFA on this project. D. Olinger replied a lift station project is 100% eligible for a low interest loan. D. Olinger also noted the amount of money proposed now is getting close to grant eligibility, which means future projects such as the pond expansion will be 100% grant eligible.

Motion by J. Christian, second by K. Hill Accepting Bid 2023 Lift Station & Forcemain Improvements. Motion carried unanimously.

B. Southern Minnesota Initiative Foundation (SMIF) Grant

S. Kerrins reported the grant has been submitted and awardees will be selected August 10th. In addition, it appears Mower County will be providing some funding regardless of being accepted for the grant or not.

C. Highway 16 sign

S. Kerrins reported the easement for the sign was a twenty-year easement, which expired in 2007. The options then were to renew the easement with the new owner or the city was responsible for removing the sign and returning the ground back to its original condition. S. Kerrins spoke with Duke Baudoin and he is not interested in renewing the lease, but would take responsibility of the sign for his use. With Duke wanting the sign, the Department of Transportation (DOT) permit would need to be transferred to him.

Motion by T. Warmka, second by J. Christian to transfer the permit. Motion carried unanimously.

D. Citywide cleanup

S. Kerrins provided information regarding conducting a cleanup. Discussion ensued on when to do it. C. Hyrkas provided the date of the summer garage sale and the idea of conducting it after that event. K. Hill felt the city should provide this opportunity and J. Christian agreed. K. Hill requested firm prices on what it would cost and for S. Kerrins to report back next month.

NEW BUSINESS

A. Sale of edible cannabinoids

S. Kerrins provided information that legislation passed a bill approving the sale of edible cannabinoids. It was part of a larger bill and was unbeknownst to many legislatures, the League of Minnesota Cities and the Chiefs of Police Association. Cities do have the ability to ban it through ordinances. J. Christian wanted confirmation if it fell under any current ordinances, which it does not. K. Hill asked Chief Richardson what law enforcements take is on the topic. Chief Richardson

could not make a comment, because it is currently being reviewed by the Chiefs of Police Association, who will be providing an official statement. K. Hill opined she believes when this is sorted out that if it is allowed there should at least be measures in place limiting where it can be consumed.

B. St. Finbarr Catholic Church – Special Assessments

Dawn Stier came before the board on behalf of the church asking if the council can do anything to reduce the assessment amount. She researched Mower County GIS and there are fifteen members who will be impacted by the assessment on their home and will be impacted again by additional contributions to pay for the church's portion. J. Christian stated the problem with removing or reducing the amount to the church is that it would increase the amount for everyone else. T. Warmka added his concern was if we reduced it for the church, it would be setting precedence for any other non-profit that comes forward with the same request.

C. Fruth Family – Tree removal

Brian Fruth and his daughter Robin Fruth-Dugstad approached the council regarding removal of trees for this project. Brian asked who has the final authority to say which trees are taken down on the street project. D. Olinger explained that if they see a major utility or street impact with the project, then they are called out for removal; however, that information isn't always good. Once the work starts, if they see a tree won't impact the utility than it can be left. Robin provided insight to the value and rarity of the tree, which is a Ginkgo, as well as its characteristics which make it an excellent specimen along boulevards. D. Olinger replied if the tree doesn't impact the project, it can stay. He will take a look at it and confirm where the utility lines are located and contact Brian. He believes if it's the tree he's thinking about it can probably stay.

OPEN FORUM

J. Christian reminded everyone that National Night Out is Tuesday, August 2nd.

ADJOURN

Motion by K. Hill, second by J. Christian to adjourn the meeting. Motion carried unanimously. The time was 7:16 p.m.

Agenda 2.B.

Grand Meadow Council Meeting
July 14, 2022 @ 6:00 p.m.
Grand Meadow Community Center

Present: Mayor Sandy Fenton, Councilor James Christian, Councilor Kim Hill, Councilor Ryan Queensland, Councilor Tony Warmka (ZOOM), City Administrator Scott Kerrins, Derek Olinger (Bolton & Menk), Brian and Terri Fruth, Gloria Olson, Anne Grafe, Bruce Ellinghuysen, Polly Glynn, Joyce Emanuel, Ruby Bell, Greg Klees, Randy Johnson, Jerry Tienter and Gerald and Brenda Hoffman.

CALL TO ORDER – The special meeting of the Grand Meadow City Council was called to order at 6:00 p.m. followed by the Pledge of Allegiance.

2022 STREET UTILITY PROJECT

A. 2022 Public Hearing on Special Assessments

Motion by K. Hill, second by R. Queensland to open the public meeting. Motion carried unanimously.

D. Olinger provided a summary of the project, costs associated, calculations of special assessments and payment options for special assessments.

After no public comment, motion by J. Christian, second by R. Queensland to close the public meeting. Motion carried unanimously.

B. Resolution Adopting Assessments

Motion by J. Christian, second by K. Hill to approve Resolution 2022-015 Adopting Assessment 2022 Street and Utility Improvements. Motion carried unanimously.

C. Resolution Accepting Bid

Motion by J. Christian, second by R. Queensland approving Resolution 2022-016 Accepting Bid 2022 Street and Utility Improvements. Motion carried unanimously.

D. Deferment of Special Assessments

S. Kerrins provided two options for deferment. A local deferment would involve developing and approving a deferment policy establishing the criteria and passing a resolution. Under this deferment, payments are deferred until some time in the future, but interest is still accrued. The Department of Revenue (DOR) also provides a deferment option, which can be used at anytime for any taxes. Under this plan, property owners pay 3% of the household income and the state pays the rest. This is not a tax forgiveness program; rather, a low-interest loan. The major difference between the two programs is under the state program taxes are still being paid by the property owner and state instead of nothing being paid until a future date. S. Kerrins recommended using the state program based on the administrative burden and the fact that taxes are still being paid on time. Motion by K.Hill, second by R. Queensland

for property owners to use the Department of Revenue Senior Citizen's Property Tax Deferral program. Motion carried unanimously.

LIFT STATION & STREET UTILITY PROJECTS

A. Proposal for Remainder for Construction Engineering

Derek Olinger provided a proposed plan and fee breakdown for completing the project. Motion by K. Hill, second by J. Christian to accept the proposal. Motion carried unanimously.

BUILDING PERMIT

A. House – 510 Glynn Ave NE

B. Fence – 532 Elliot Dr SE

Motion by R. Queensland, second by K. Hill to approve both permits contingent on approval by the Planning and Zoning Committee. Motion carried unanimously.

OPEN FORUM

Greg Klees asked what the process is for obtaining a tax deferment. S. Kerrins explained he has the fact sheet that explains the program and where to apply online. S. Kerrins will print applications for anyone wanting it.

Greg Klees asked if the 5% interest accruing on the assessment is simple or compound. D. Olinger replied it's compounded annually.

Greg Klees assumes other parts of the town will be experiencing similar projects in the future and with the condition of 1st St NW doesn't understand why it isn't completed first. D. Olinger explained the primary driver with this project is the sanitary sewer. Excess inflow and infiltration of clear water is overloading the treatment system. The area being addressed first is the most problematic in town. S. Kerrins added that bids have been obtained for the street in question to address some of the worst areas.

Terri Fruth asked when the project will start. D. Olinger replied August and residents will be receiving newsletter as the project occurs.

Ruby Bell asked if there was a time when the project would start next Spring. D. Olinger replied they don't have a confirmed date, but generally late April.

Gerald Hoffman explained a few years ago they received permission from the city to remove a section of sidewalk, but now it looks like it's going back in. D. Olinger said this can be discussed with the City on whether to put it back in.

ADJOURN

Motion by J. Christian, second by K. Hill to adjourn the meeting. Motion carried unanimously. The time was 6:35 p.m.

Claims

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	CL	#/Payroll	Notes
32822	SC	346 ARVIG	52.91	7/22	07/06/22	CL	8262	52.91
32823	SC	54 BAKER & TAYLOR JA Major's	257.33	7/22	07/06/22	CL	8261	257.33
32824	SC	1210 Chris Hyrkas	136.58	7/22	07/06/22	CL	8264	136.58
32825	SC	1112 CHRISTMAS FROM THE HEART	36.41	7/22	07/06/22	CL	8265	36.41
32826	SC	229 EMERGENCY AUTOMOTIVE TECH, INC	7201.12	7/22	07/06/22	CL	8255	7201.12
32827	SC	982 GALE/CENGAGE LEARNING	85.82	7/22	07/06/22	CL	8263	85.82
32828	SC	1219 LRS OF MINNESOTA	149.01	7/22	07/06/22	CL	8270	149.01
32829	SC	486 MEADOW AREA CHIROPRACTIC	80.00	7/22	07/06/22	CL	8269	80.00
32830	SC	1342 MicroMarketing LLC	210.69	7/22	07/06/22	CL	8258	210.69
32831	SC	499 MIDAMERICA BOOKS	239.50	7/22	07/06/22	CL	8256	239.50
32832	SC	628 PARTIES MADE SIMPLE, LLC	3000.00	7/22	07/06/22	CL	8271	3000.00
32833	SC	1139 SARAH K. BURMEISTER	143.38	7/22	07/06/22	CL	8266	117.22
						CL	8267	26.16
32834	SC	725 SOUTHEASTERN LIBRARIES COOP	591.59	7/22	07/06/22	CL	8259	591.59
32835	SC	1152 SYNC/AMAZON	325.07	7/22	07/06/22	CL	8260	325.07
32836	SC	1361 Tom Pederson	259.00	7/22	07/06/22	CL	8257	259.00
32837	SC	861 VERIZON WIRELESS	260.58	7/22	07/06/22	CL	8268	260.58
32838	SC	837 ACE HARDWARE	186.62	7/22	07/12/22	CL	8296	186.62
32839	SC	37 ARAMARK	34.57	7/22	07/12/22	CL	8285	34.57
32840	SC	346 ARVIG	509.95	7/22	07/12/22	CL	8301	509.95
32841	SC	62 BCA/TRAINING & DEVELOPMENT	150.00	7/22	07/12/22	CL	8280	150.00
32842	SC	1094 BOLTON & MENK, INC	37577.90	7/22	07/12/22	CL	8299	37577.90
32843	SC	107 BUSTAD DOZING & EXCAVATING INC	573.67	7/22	07/12/22	CL	8284	573.67
32844	SC	1190 CARDMEMBER SERVICES	1543.03	7/22	07/12/22	CL	8302	1543.03
32845	SC	154 COMMUNITY UTILITY	131.39	7/22	07/12/22	CL	8278	131.39
32846	SC	161 CONTINENTAL RESEARCH CORP.	1243.55	7/22	07/12/22	CL	8281	1243.55
32847	SC	183 DAVID DROWN & ASSOCIATES INC.	1500.00	7/22	07/12/22	CL	8275	1500.00
32848	SC	1240 DRIESSEN WATER INC.	30.10	7/22	07/12/22	CL	8273	18.70
						CL	8298	11.40
32849	SC	1341 FIRST NET	49.59	7/22	07/12/22	CL	8288	49.59
32850	SC	1109 FREEBORN-MOWER COOPERATIVE SERVIC	3945.54	7/22	07/12/22	CL	8282	3945.54
32851	SC	290 GLYNN'S MOTOR MART	23.39	7/22	07/12/22	CL	8277	23.39
32852	SC	313 GOPHER STATE ONE CALL	17.55	7/22	07/12/22	CL	8297	17.55
32853	SC	328 HAWKINS, INC	4829.44	7/22	07/12/22	CL	8272	4809.44
						CL	8295	20.00
32854	SC	452 LEAGUE MN. CITIES INS. TRUST	5971.00	7/22	07/12/22	CL	8276	5971.00
32855	SC	439 MATTHEW LEIBFRIED CONSTRUCTION	325.00	7/22	07/12/22	CL	8293	325.00
32856	SC	579 MINNESOTA VALLEY TESTING LABS	40.80	7/22	07/12/22	CL	8287	40.80
32857	SC	1362 Minnesota's Finest Auto Detailing	600.00	7/22	07/12/22	CL	8274	600.00
32858	SC	519 MISSISSIPPI WELDERS SUPPLY CO.	18.90	7/22	07/12/22	CL	8294	18.90
32859	SC	583 MPEC/NAPA AUTO PARTS	60.35	7/22	07/12/22	CL	8300	60.35
32861	SC	696 ROCHESTER TELECOM SYSTEMS,INC.	8.77	7/22	07/12/22	CL	8289	8.77
32862	SC	1139 SARAH K. BURMEISTER	33.46	7/22	07/12/22	CL	8292	33.46
32863	SC	1239 SHELL FLEET PLUS	1596.80	7/22	07/12/22	CL	8283	1596.80
32864	SC	861 VERIZON WIRELESS	40.01	7/22	07/12/22	CL	8286	40.01
32865	SC	876 WASTE MANAGEMENT	1065.91	7/22	07/12/22	CL	8279	1065.91
32866	SC	59 BAUDOIN OIL COMPANY	2827.80	7/22	07/12/22	CL	8308	2827.80
32867	SC	543 NCPERS - MINNESOTA	80.00	7/22	07/12/22	CL	8305	80.00

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Claims

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	CL	#/Payroll	Notes
32869	SC	962 ON SITE SANITATION	146.50	7/22	07/12/22	CL	8303	146.50
32870	SC	618 ON-SITE COMPUTERS	611.38	7/22	07/12/22	CL	8306	611.38
32871	SC	861 VERIZON WIRELESS	219.84	7/22	07/12/22	CL	8304	219.84
32874	SC	1018 NORTHVIEW BANK	3965.00	7/22	07/18/22	CL	8290	3965.00
32875	SC	1364 At-Scene LLC	750.00	7/22	07/22/22	CL	8312	750.00
32876	SC	54 BAKER & TAYLOR JA Major's	209.68	7/22	07/22/22	CL	8319	209.68
32877	SC	59 BAUDOIN OIL COMPANY	1315.19	7/22	07/22/22	CL	8314	1315.19
32878	SC	966 CAMERON TURNER	51.25	7/22	07/22/22	CL	8325	51.25
32879	SC	1356 Canon Financial Services, Inc.	144.92	7/22	07/22/22	CL	8315	144.92
32880	SC	154 COMMUNITY UTILITY	15.00	7/22	07/22/22	CL	8317	15.00
32881	SC	1206 CORE & MAIN, LP	210.33	7/22	07/22/22	CL	8329	210.33
32882	SC	236 EVANS PRINTING & PUBLISHING	811.00	7/22	07/22/22	CL	8321	42.00
						CL	8322	769.00
32883	SC	293 G.M. FIRE RELIEF ASSOCIATION	29265.68	7/22	07/22/22	CL	8310	29265.68
32884	SC	982 GALE/CENGAGE LEARNING	153.80	7/22	07/22/22	CL	8318	153.80
32885	SC	328 HAWKINS, INC	20.00	7/22	07/22/22	CL	8326	20.00
32886	SC	579 MINNESOTA VALLEY TESTING LABS	40.80	7/22	07/22/22	CL	8328	40.80
32887	SC	709 SCHILLING SUPPLY COMPANY	159.46	7/22	07/22/22	CL	8327	159.46
32888	SC	736 SE MINNESOTA EMS	1500.00	7/22	07/22/22	CL	8311	1500.00
32889	SC	1095 SMITH SCHAFER & ASSOCIATES, LTD	11525.00	7/22	07/22/22	CL	8313	11525.00
32890	SC	1152 SYNC/AMAZON	224.47	7/22	07/22/22	CL	8320	224.47
32891	SC	78 TOM BLEIFUS	51.25	7/22	07/22/22	CL	8324	51.25
32893	SC	832 TRI-COUNTY PLUMBING & HEATING	90.00	7/22	07/25/22	CL	8316	90.00

Claims Total # of Checks: 67 Total: 129524.63

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
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Payroll

Check #	Check Type	Vendor/Employee/Payee Number/Name		Check Amount	Period	Date Issued	CL #/Payroll Notes
-83628	P	5	THOMAS N. BLEIFUS	1778.24	7/22	07/01/22	
-83627	P	8	LORI A. BROGAN	807.61	7/22	07/01/22	
-83626	P	105	SARAH BURMEISTER	1245.16	7/22	07/01/22	
-83625	P	11	MICHAEL L. DOLTON	96.97	7/22	07/01/22	
-83624	P	134	Kylie L. Fenton-Musel	13.61	7/22	07/01/22	
-83623	P	150	Kaleb L. Fish	974.76	7/22	07/01/22	
-83622	P	106	CHRISTINE HYRKAS	1423.91	7/22	07/01/22	
-83621	P	127	Debra Hershberger	518.92	7/22	07/01/22	
-83620	P	129	Paul E Johnson	353.63	7/22	07/01/22	
-83619	P	82	SCOTT KERRINS	1915.13	7/22	07/01/22	
-83618	P	137	DOMANIC S. MERKEL	1685.39	7/22	07/01/22	
-83617	P	111	LYNNEA OLSON	80.26	7/22	07/01/22	
-83616	P	27	JAMES W. RICHARDSON	2027.96	7/22	07/01/22	
-83615	P	91	CAMERON J TURNER	1360.97	7/22	07/01/22	
-83614	P	102	ROBERT WORLTON	328.80	7/22	07/01/22	
-83613	P	133	Jeanne M. Wright	126.98	7/22	07/01/22	
-83612	P	FIT	EFTPS	4336.69	7/22	07/01/22	
-83611	P	MINNESOTA SIT	MINNESOTA REVENUE	752.00	7/22	07/01/22	
-83610	P	PERA	PERA	3302.82	7/22	07/01/22	
-83609	P	5	THOMAS N. BLEIFUS	1913.60	7/22	07/15/22	
-83608	P	8	LORI A. BROGAN	1167.71	7/22	07/15/22	
-83607	P	105	SARAH BURMEISTER	1259.84	7/22	07/15/22	
-83606	P	11	MICHAEL L. DOLTON	87.73	7/22	07/15/22	
-83605	P	77	CASEY ERWIN	52.64	7/22	07/15/22	
-83604	P	134	Kylie L. Fenton-Musel	35.98	7/22	07/15/22	
-83603	P	150	Kaleb L. Fish	295.52	7/22	07/15/22	
-83602	P	14	JOE J. GEHLING	52.64	7/22	07/15/22	
-83601	P	96	MELODY A GILBERTSON	22.16	7/22	07/15/22	
-83600	P	M	TIFFANY GRONVOLD	406.34	7/22	07/15/22	
-83599	P	106	CHRISTINE HYRKAS	1355.60	7/22	07/15/22	
-83598	P	127	Debra Hershberger	261.41	7/22	07/15/22	
-83597	P	129	Paul E Johnson	531.04	7/22	07/15/22	
-83596	P	39	MICHAEL KEEFE	343.08	7/22	07/15/22	
-83595	P	82	SCOTT KERRINS	1915.13	7/22	07/15/22	
-83594	P	137	DOMANIC S. MERKEL	1484.36	7/22	07/15/22	
-83593	P	27	JAMES W. RICHARDSON	2027.96	7/22	07/15/22	
-83592	P	33	LORI A. STIER	406.34	7/22	07/15/22	
-83591	P	126	ILENE TJEPKES	310.30	7/22	07/15/22	
-83590	P	91	CAMERON J TURNER	1373.57	7/22	07/15/22	
-83589	P	140	CHELSEY E. WILSON	71.57	7/22	07/15/22	
-83588	P	133	Jeanne M. Wright	86.34	7/22	07/15/22	
-83587	P	143	Rebecca G. Young	143.37	7/22	07/15/22	
-83586	P	FIT	EFTPS	4551.78	7/22	07/15/22	
-83585	P	MINNESOTA SIT	MINNESOTA REVENUE	746.00	7/22	07/15/22	
-83584	P	PERA	PERA	3132.54	7/22	07/15/22	
-83583	P	5	THOMAS N. BLEIFUS	1994.86	7/22	07/29/22	
-83582	P	8	LORI A. BROGAN	732.26	7/22	07/29/22	
-83581	P	105	SARAH BURMEISTER	1198.22	7/22	07/29/22	

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

Payroll

Check #	Check Type	Vendor/Employee/Payee Number/Name	Check Amount	Period	Date Issued	CL #/Payroll Notes
-83580	P	128 Susan K Baldus	86.34	7/22	07/29/22	
-83579	P	134 Kylie L. Fenton-Musel	70.19	7/22	07/29/22	
-83578	P	150 Kaleb L. Fish	691.61	7/22	07/29/22	
-83577	P	106 CHRISTINE HYRKAS	1355.60	7/22	07/29/22	
-83576	P	127 Debra Hershberger	478.07	7/22	07/29/22	
-83575	P	39 MICHAEL KEEFE	106.20	7/22	07/29/22	
-83574	P	82 SCOTT KERRINS	1915.13	7/22	07/29/22	
-83573	P	137 DOMANIC S. MERKEL	1479.64	7/22	07/29/22	
-83572	P	111 LYNNEA OLSON	80.26	7/22	07/29/22	
-83571	P	27 JAMES W. RICHARDSON	2027.96	7/22	07/29/22	
-83570	P	91 CAMERON J TURNER	1320.17	7/22	07/29/22	
-83569	P	FIT EFTPS	4034.73	7/22	07/29/22	
-83568	P	MINNESOTA SIT MINNESOTA REVENUE	707.00	7/22	07/29/22	
-83567	P	PERA PERA	3174.89	7/22	07/29/22	
32872	P	136 JUSTIN E BOLAND	64.18	7/22	07/15/22	
32873	P	142 CATHERINE G. PAUL	462.36	7/22	07/15/22	

Payroll Total # of Checks: 64 Total: 69144.03

Grand Total # of Checks: 131 Total: 198668.66

Check Types: MC=Manual Claim, SC=System Claim, V=Void (never in system), E=ACH
P=Payroll, C=Cancelled (cancelled in system), R=Reissued, D=Deleted (deleted in system)

888.992.7844 I arvig.com

Budgetary Estimate - Price Quotation

Arvig® Proprietary and Confidential

Date: 7/26/2022
Prepared For:

Business Name: Ancom
Contact Person: Gary Anderson
Email Address: gary.anderson@ancom.org

Service Description: Dark Fiber Lease – 2 Strands

Whether you are looking to connect several locations or support a large number of users, Arvig's comprehensive suite of cost-effective Ethernet solutions are designed to provide the performance, reliability and bandwidth your changing company needs. And, as your bandwidth requirements increase, an Ethernet interface from Arvig will provide a conducive environment for continued growth and continuity.

Service Address(s): Water Tower to School

TERM / MONTHS	ADDRESS	SERVICE	BANDWIDTH	MRC Monthly Recurring Charge	One Time Installation	One Time Construction Cost
60	See above	Dark Fiber		$320		$16,000
60		Dark Fiber		$750		$0

Terms & Conditions:

1. This Price Proposal is confidential information.
2. This Proposal contains a price quote and is not a binding order for services on its own. Customer must submit a signed Service Order, and Arvig, at its sole discretion, must accept the Service Order in writing to create a binding order for Services.
3. The demarcation point for the Service shall be as stated herein, provided that if a generic demarcation point (such as a street address) is provided, the demarcation point used for the quote above shall be **Arvig's minimum point of entry (MPOE)** closest to stated generic demarcation point and within 250 feet of building entrance.
4. Third-party charges and taxes are not included in this Proposal unless specifically stated.
5. To the extent this proposal contains pricing for On-Net Services; such pricing is valid for 90 days from the date of this Proposal.
6. Delivery of service contingent on available capacity from Arvig Network Services.

Pricing Considerations:

1. Pricing and availability contingent upon final site survey and Engineering design and approval.
2. All prices quoted exclude applicable taxes, regulatory taxes, regulatory fees, assessments and other governmental fees.
3. Arvig reserves the right to correct any computational errors in this quote.

Agenda 4.B.

City Council Meeting – August 8, 2022 6pm

Grand Meadow Ambulance - July 2022

Total Calls: 28
St. Mary's – 17
MCHS Austin – 0
OMC – 1
No Transports – 10

Total calls so far for 2022 – 151
Not billable - 27

The Ambulance committee and I met with a Representative from Osage in regards to taking the box from Unit 1 onto a new Chassis on July 14 – we went over everything we would want on the "new" rig.

The committee also met with a representative from Horton in regards to the same topic.

Balance of Savings account: $ 33,645.24
Checking account: $ 79,392.48
$ 113,037.72

Public Works Report

August 2012

- Pine Lawn – Tree trimming was completed by Olson Tree Service.

- Tree removal along pond road – Bid received by O'Connell Excavating. Still waiting on estimate from Bustad.

- Skid Loader – Tire need to be replaced. Cost is $2,000 For J&S Repair to replace and mount.

O'Connell Excavating & Snow Plowing
300 East Main Street
Spring Valley, MN 55975
507-346-2995

City of Grand Meadow
112 Grand Ave. E.
Grand Meadow, MN 55936

Clear overhanging trees along city maintenance road.

Clean up all trees- burn/ mulch

Clean waterway to allow proper drainage from storm drain.

Seed disturbed areas & apply erosion control.

~~Pond~~ road ditch

Estimate Total $14,000

Grand Meadow Police Department

July 2022 Report

Vehicle Information

	Total Miles	Miles this Month
SUV A	5022	1488
SUV B	53919	337
	Total	1825

Community

Formal Written Complaints: 0
Verbal Complaints: 0
Property Checks: 0

Traffic

Citations: 0
Accidents: 0
Warnings: 9

Assists

Public: 41
Ambulance: 12
Criminal Complaints: 2
Follow-up Investigations: 19
County: 6
Fire: 1
Note2- Mental Health Issues, 1- 72 Hour Hold, 2- Juvenile Complaints, 2- Welfare Check. 1-theft, 2-Business alarm, 6- Yard Issues
Training:

GMPD Updates/Comments - Very Busy Month working with people and Solving Situations. GMPD is still trying to help people clean their properties up. When driving on gravel roads the corn is getting tall, look for traffic both ways. Let's keep an eye on each other as stress can creep up on us all.

Please drive with care and buckle up!

Your Chief

GMPD

Agenda 4.E.

GRAND MEADOW FIRE DEPARTMENT
POST OFFICE BOX 511
GRAND MEADOW, MN 55936
(507) 754-7003

Monthly Meeting ***Tuesday August 2nd, 2022***

The monthly meeting of the Grand Meadow Fire Department was called to order by Chief Travis Warmka at 7:10 PM

SECRETARY'S REPORT: Read and motion to approve by Caden Fruth and second by Justin Bowland. Motion carried.

TREASURER'S REPORT: Beginning balance $ 57,588.33
Ending balance $ 17,588.33

CALLS: July - 15

07/02 - Public Asst	2 responders	07/14 – Vehicle Fire	7 responders
07/04 – Medical	2 responders	07/14 - Medical	3 responders
07/05 - Confined space rescue	10 responders	07/16 - Public Asst	3 responders
07/05 - Fire alarm	16 responders	07/20 – Medical	2 responders
07/07 – Public Asst	2 responders	07/23 - Sky Warn	5 responders
07/08 - MVA	10 responders	07/23 - Power line down	5 responders
07/09 - Public Asst	2 responders	07/30 - Public Asst	3 responders
07/11 - Gas Leak	7 responders		

RELIEF REPORT:	Checking balance	$ 4,699.98	unch
	Invesco	$ 142,439.19	up $ 7,211.97
	State	$ 620,880.36	up $40,702.74

TRAINING: August 3rd - 6:30 PM - Hose Testing
August 17th - 6:30 PM - Mayo 1 landing zone
September 10th - time TBD – House training burn

Old Business:

Radios – ODA project was discussed

Steak Fry – Invitations have been mailed and menu was discussed. The date of the event is set for September 10th.

Reminder to wear Hi-Vis vests while on scene

UTV/side by side ride - Gross proceeds were $51,502.00 with some expenses yet to pay for security, stickers/decals, and for food.

Steve Meyerhofer made a motion, second by Eddie Bleifus to donate $2000.00 to the Root River Tractor Club for use of the grounds. Motion carried.

Eddie Bleifus will lead committee to get Thank You notes out to supporters of the ride

A motion was made by Karsen Ulwelling, second by Cameron Turner to donate $3000.00 to each of the departments that participated on the ride. Motion carried.

New Business –

Discussion regarding moving the next UTV/side by side ride to August 26th 2023, pending Root River club approval. The change will also incorporate a sweet corn feed before the live auction and to provide live music.

A motion was made by Steve Meyerhofer, second by Ryan Gehling to set a budget of $2000.00 for a band for next year's ride.

Discussion was held regarding the purchase of a side by side for department use with the funds from this year's ride. A committee was formed to research purchase of a side by side and trailer, consisting of Travis Warmka, Eddie Bleifus, Steve Meyerhofer and Trevor Hanson.

Ryan Gehling noted he is going to start working on a grant for a new SCBA air compressor.

The department was awarded a $2000.00 grant for new carbon monoxide meters

The Kenworth pumper/tanker needs to be taken to a dealership to get air conditioning and wheel seal fixed.

Joe Gehling made a motion, second by Ryan Gehling to adjourn. Meeting adjourned at 8:12 PM

Dan Geier - Secretary

City Administrator Report

August 2012

- Credit Cards – The city was approved for the First Farmers & Merchants State Bank Visa Community Card, which earns rewards. Cards will be issued to each department and used for all purchases where credit cards are accepted.

- National Night Out – This was a successful event held Tuesday, August 2nd with a great turnout serving approximately 225 and receiving $549 in donations. Thanks to everyone who helped with the event. A special thanks to James Christian, Elaine Iverson, Tabitha Hoffman and Travis Warmka who cooked/served and Travis for providing music. Hope to have more council and EDA members assist at the event in the future, since this is a great opportunity for community members to meet/see city leaders.

- Sales Tax Refund – The case has been assigned to a specific individual that I've been communicating with to provide information as requested.

- Budget – Working on compiling 2023 numbers for the council's review to establish the preliminary levy due September 30.

- Yards/windmills – Violation letters have been sent to property owners including appeal instructions. Those that are not resolved will require council action.

Scott Kerrins

From: Mike Bubany <Mike@daviddrown.com>
Sent: Monday, August 8, 2022 12:56 PM
To: Scott Kerrins
Cc: Derek Olinger; J. Elizabeth Blakesley; Sue Goodspeed
Subject: Grand Meadow bond sale results
Attachments: GO Imp 2022A - FINAL.pdf

Scott,

Please share this email and attachments with the City Council tonight. We had a successful sale today but unfortunately I cannot attend your meeting as I will be on the road at meetings in western Minnesota.

COUNCIL MUST AUTHORIZE LARGER AMOUNT
You will recall the "parameters" resolution the City Council adopted awhile back authorizing me to negotiate the sale. That resolution limited the borrowing to $3.45 million. However, since that time the City Engineer informed me of adjustments in the project costs (mostly due to the State reallocating costs). As such, please have the Council adopt a simple motion and a vote to allow for the new amount, which is $3.585 million as noted in the first attachment.

We did beat the allowed net effective rate by quite a bit. I had an informal goal of a net effective rate under 4%, which we achieved (3.9243%).

REVENUES / FINANCING STRATEGY
We are still pretty much in line with our financial planning. The only tax levies we will bring to the deal are those that are offset by decertifying TIF Districts or current debt levies becoming available. We will have to lean on the Water Fund some as noted as well. But, again, this is consistent with our prior workshop planning.

BOND PURCHASE AGREEMENT
Assuming Council likes the deal, and authorizes the larger amount as noted above, the Mayor and Clerk should sign the Bond Purchase Agreement that will be emailed separately by the purchaser, Robert W. Baird & Company. Just a reminder, both myself and the City's bond counsel have reviewed that document and are comfortable with it. The BPA, once signed, should be scanned and emailed back no later than first thing tomorrow morning.

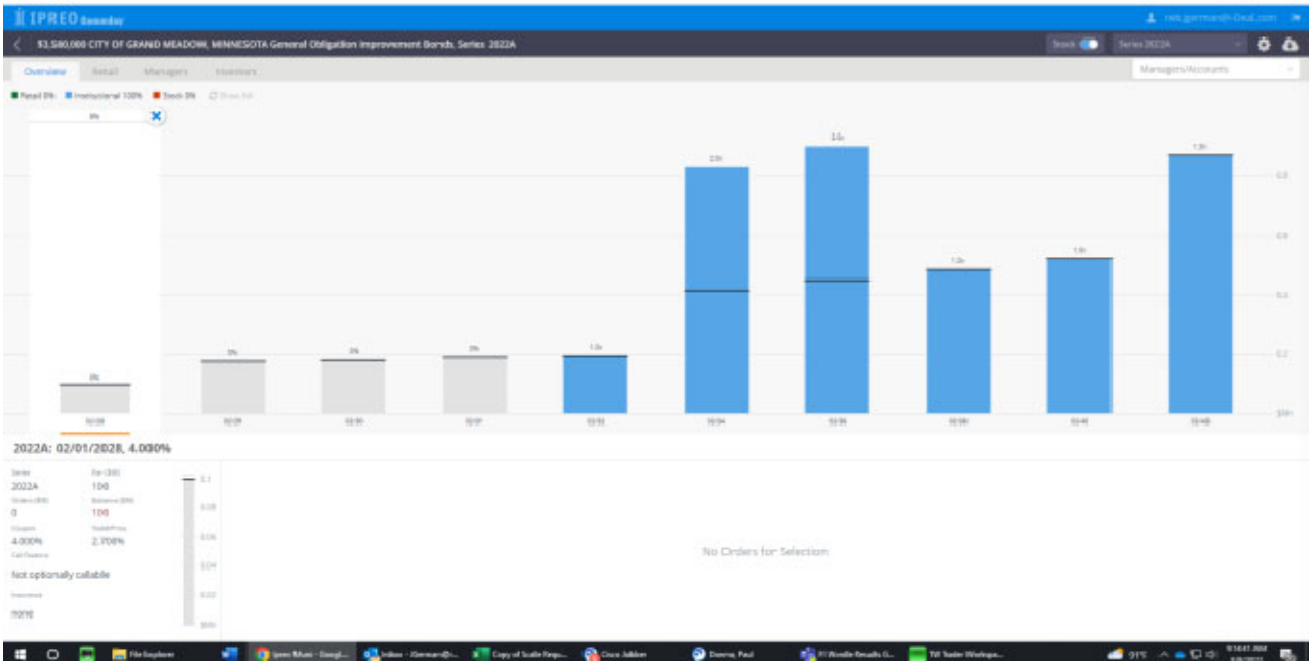
SPECIAL MEETING AUGUST 22nd
Council will still need to adopt the Sales Resolution. I'm requesting a special meeting for August 22nd to do so. That is the date I can make in person and yet still leave enough time for closing September 1st. Standard quorum is sufficient for that meeting.

PROPOSAL ANALYSIS
On July 21, 2022 (BEFORE the Federal Reserved bumped rates by 0.75%), the City of Morristown (similar size to Grand Meadow) sold non rated bonds which I felt was a good comparable for our proposal. Not only are our yields in line with those results (this time AFTER the Fed meeting), but our underwriter worked for about ½ as much (on a per $1,000 basis). See below:

Pricing Date	7/21/2022	8/5/2022
Underwriter Compensation	$24.32/$1,000	$12.50/$1,000
	Morristown	Grand Meadow
2028		2.750%
2029	3.000%	2.900%

2030		
2031		3.100%
2032		3.200%
2033	3.400%	
2034		3.400%
2035		
2036		3.600%
2037		
2038	3.800%	3.750%
2039		
2040		3.900%
2041		
2042		
2043	4.100%	4.050%

Our underwriter also committed to purchase the entire bond despite not fully preselling….see the final order subscriptions below. Had we saw any maturities with 3x orders or greater, we would have adjusted rates downwards, but that did not happen. Our underwriter is taking some risk by agreeing to purchase this debt without fully preselling it.



TIMING

I would like to thank the Mayor and staff for being so flexible in terms of when we could take this to market. While there were other sales today in Minnesota, I wanted to get out there before the State of Minnesota sales tomorrow (about $600 million). I also felt it important for us to lock in sooner rather than later.

I will call you to discuss shortly, but wanted to get some material in your hand for distribution to Council tonight. Thank you!

Mike Bubany, Associate
David Drown Associates, Inc.

507 346 7895

City of Grand Meadow, Minnesota

Robert W. Baird & Co.
FINAL

$3,585,000
General Obligation Improvement Bonds, Series 2022A

Uses of Funds		
Construction		3,008,743.18
Engineering & Admin		555,748.08
Contingency		33,096.17
Other		
Total Project Costs		**3,597,587.43**
Underwriter's Discount Allowance	1.25%	44,812.50
Unused Discount to D/S Fund		-
Fiscal Fee		18,000.00
Bond Counsel		12,000.00
Pay Agent		750.00
Printing & Misc		1,500.00
Rating		-
Bond Premium		-
Excess Proceeds		-
Capitalized Interest (to D/S Fund)		-
		3,674,649.93

Sources of Funds	
Bond Issue	**3,585,000.00**
Bond Premium	82,499.85
Construction Fund Earnings	7,150.08
City Cash	-
	3,674,649.93

Bond Details		
Adopt Parameters Resolution		7/11/2022
Bond Purchase Agreement Signed		8/8/2022
Sales Resolution Adopted		8/22/2022
Dated Date		9/1/2022
Closing Date		9/1/2022
1st Interest Payment		8/1/2023
Proceeds spent by:		12/31/2023
Purchase Price		3,622,687.35
Net Interest Cost		1,954,862.65
Net Effective Rate		**3.9243%**
Average Coupon		4.0000%
Call Option	@ par	2/1/2030
Weighted Avg. Maturity		13.789
Average Life		13.895
Bond Yield		3.7587%
Purchaser		Robert W. Baird & Co.
Bond Counsel		Taft Stettinius & Hollister LLP
Rating Agency		Non Rated
Pay Agent		Northland Trust Services, Inc.
Tax Status		Tax Exempt
Continuing Disclosure		Limited
Rebate		24-month Spend-down Exemption
Statutory Authority		MS, Chapters 429, 475

Payment Schedule & Cashflow

Payment Schedule								*Pledged Revenues*					*Account Balances*	
12-Month Period ending*	Principal	Coupon	Yield	Interest	Payment Total	**PLUS 5%**	Collection Year	Taxes from Decert TIF 2	Taxes from 2016B	Taxes from 2017A	Water Revenues	Special Assessments	Surplus (deficit)	Account Balance
9/1/2022	*Dated Date*											Initial Deposit to D/S Fund >		-
2/1/2024	-	4.000%	2.750%	203,150	203,150	**213,308**	2023	60,000	-	-	85,530	67,777	-	-
2/1/2025	-	4.000%	2.750%	143,400	143,400	**150,570**	2024	60,000	-	-	22,793	67,777	-	-
2/1/2026	-	4.000%	2.750%	143,400	143,400	**150,570**	2025	60,000	-	-	22,793	67,777	-	-
2/1/2027	-	4.000%	2.750%	143,400	143,400	**150,570**	2026	60,000	-	-	22,793	67,777	-	-
2/1/2028	100,000	4.000%	2.750%	143,400	243,400	**255,570**	2027	60,000	105,000	-	22,793	67,777	-	-
2/1/2029	175,000	4.000%	2.900%	139,400	314,400	**330,120**	2028	60,000	105,000	34,000	63,343	67,777	-	-
2/1/2030	180,000	4.000%	3.100%	132,400	312,400	**328,020**	2029	60,000	105,000	34,000	61,243	67,777	-	-
2/1/2031	190,000	4.000%	3.100%	125,200	315,200	**330,960**	2030	60,000	105,000	34,000	64,183	67,777	-	-
2/1/2032	195,000	4.000%	3.200%	117,600	312,600	**328,230**	2031	60,000	105,000	34,000	61,453	67,777	-	-
2/1/2033	205,000	4.000%	3.400%	109,800	314,800	**330,540**	2032	60,000	105,000	34,000	63,763	67,777	-	-
2/1/2034	210,000	4.000%	3.400%	101,600	311,600	**327,180**	2033	60,000	105,000	34,000	60,403	67,777	-	-
2/1/2035	220,000	4.000%	3.600%	93,200	313,200	**328,860**	2034	60,000	105,000	34,000	62,083	67,777	-	-
2/1/2036	230,000	4.000%	3.600%	84,400	314,400	**330,120**	2035	60,000	105,000	34,000	63,343	67,777	-	-
2/1/2037	240,000	4.000%	3.750%	75,200	315,200	**330,960**	2036	60,000	105,000	34,000	64,183	67,777	-	-
2/1/2038	250,000	4.000%	3.750%	65,600	315,600	**331,380**	2037	60,000	105,000	34,000	64,603	67,777	-	-
2/1/2039	255,000	4.000%	3.900%	55,600	310,600	**326,130**	2038	60,000	105,000	34,000	59,353	67,777	-	-
2/1/2040	265,000	4.000%	3.900%	45,400	310,400	**325,920**	2039	60,000	105,000	34,000	59,143	67,777	-	-
2/1/2041	280,000	4.000%	4.050%	34,800	314,800	**330,540**	2040	60,000	105,000	34,000	63,763	67,777	-	-
2/1/2042	290,000	4.000%	4.050%	23,600	313,600	**329,280**	2041	60,000	105,000	34,000	62,503	67,777	-	-
2/1/2043	300,000	4.000%	4.050%	12,000	312,000	**327,600**	2042	60,000	105,000	34,000	60,823	67,777	-	-
	3,585,000			1,992,550	5,577,550	**5,856,428**		1,200,000	1,680,000	510,000	1,110,883	1,355,544	-	

Citywide Cleanup Costs

Rolloff		Iverson Hauling	$350
Appliances		Complete Appliance Demanufacturing	$10
TVs	19” and smaller	Complete Appliance Demanufacturing	$25
	20”-27”	Complete Appliance Demanufacturing	$30
	27” and up	Complete Appliance Demanufacturing	$35
Computers		Complete Appliance Demanufacturing	$0
Scrap metal		Complete Appliance Demanufacturing	$0

Cities and Regulation of Edible Cannabinoid Products

Published: July 15, 2022

A new law was enacted at the end of the 2022 legislative session that allows certain edible and beverage products infused with tetrahydrocannabinol (THC) to be sold. Since the enactment of the law, the League of Minnesota Cities has been researching and collecting information from state agencies and stakeholders to answer questions pertaining to local regulatory authority, law enforcement, taxing, and employment. The following frequently asked questions (FAQ) aim to provide information to cities on the new law to assist local governments in making decisions related to the law. The League will continually update the information below as necessary.

(Updated July 22, 2022)

Get answers to FAQs regarding the new law allowing certain edible and beverage products containing THC extracted from hemp to be sold.

General information

Q1. What does the new law do?

Q2. Under the new law, where are edible cannabinoids allowed to be sold? *(Updated July 20, 2022)*

Q3. Could my city's municipal liquor store sell the edible cannabinoid products? *(Updated July 20, 2022)*

Q4. What regulations are in place for packaging for edible cannabinoids?

Q5. Are these products legal under federal regulations? *(Updated July 22, 2022)*

Q6. Where do the edible cannabinoid products come from?

Q7. How are the new products taxed?

Enforcement and public safety

Q8. How is the new law enforced? *(Updated July 22, 2022)*

Q9. What are penalties for someone who violates?

Q10. How do our officers determine if a driver is under the influence of these new products?

Q11. Could cities prohibit the sale of edible cannabinoids entirely? *(Updated July 19, 2022)*

Q12. Is our city required to adopt regulations under the new law?

City Licensing

Q13. What authority do cities have regarding licensing the sale of edible cannabinoids?

Q14. What types of restrictions should we consider in regulating cannabinoids? *(Updated July 19, 2022)*

Q15. Can a city add edible cannabinoid products to its existing tobacco licensing program?

Q16. If our city licenses edible cannabinoid products, how much can we charge as a license fee?

Zoning

Q17.What authority do cities have regarding zoning for where the products could be sold? *(Updated July 19, 2022)*

Q18. Could cities adopt a moratorium prohibiting the sale, manufacturing or, distribution of cannabinoids so it can study the issue?

City employment and personnel issues

Q19. Does the new Minnesota legal cannabinoid law change anything about how we do drug testing for CDL holders? *(Updated July 22, 2022)*

Q20. Does the new law change anything related to employees who carry a firearm? *(Updated July 22, 2022)*

Q21. Are there now "acceptable" limits of cannabinoids for non-CDL employees for purposes of drug testing at work (i.e., those we test under state drug and alcohol testing law)?

Q22. Can we still prohibit employees from being under the influence of cannabinoids while at work? Does the League have a model policy with updated language?

Q23. Can employees be in possession of edibles or other cannabinoid products while at work?

Q24. Do we need to change anything in our collective bargaining agreement with regard to discipline of employees who use cannabinoid products?

Q25. Can employees use cannabinoid products off-duty?

Q26. How does this impact the requirements of the Drug-Free Workplace Act?

Q27. Should my city still continue to include marijuana as a pre-employment panel screen for my Non-DOT employees? *(Updated July 19, 2022)*

General information

Q1. What does the new law do?

A1. It is now legal to sell certain edibles and beverages infused with tetrahydrocannabinol (THC), the cannabis ingredient extracted from hemp.

The new law was passed by the Legislature as part of Chapter 98. Article 13 makes several changes to Minnesota Statutes, section 151.72 regarding the sale of certain cannabinoid (CBD) products. The changes took effect on July 1.

The new law amends the scope of sale of any product that contains cannabinoids extracted from hemp and that is an edible cannabinoid product or is intended for human or animal

consumption.

Previous law authorized a product containing nonintoxicating cannabinoids to be sold, but the authority to sell edible CBD products was unclear. The new law expands the authority to include nonintoxicating cannabinoids, including edible cannabinoid products, provided they do not contain more than 0.3% of any THC. An edible cannabinoid product also cannot exceed more than five milligrams of any THC in a single serving, or more than a total of 50 milligrams of any THC per package.

Q2. Under the law, where are edible cannabinoids allowed to be sold?

A2. The new law does not limit where edible cannabinoids products may be sold. However, certain businesses by their nature maybe be limited on their ability to sell the products. Liquor stores, for example, are limited to selling specific items set by Minnesota Statute, section 340A.412, subd. 14. The Alcohol and Gambling Enforcement Division (AGE) of the Minnesota Department of Public Safety has advised the League of Minnesota Cities that products containing CBD, hemp, or THC are not allowed for sale at an exclusive liquor store. In addition, AGE has informed LMC that a liquor store's ability to sell food pursuant to Minnesota Statute, section 340A.412, subd. 14 (b), does not include edible cannabinoid products.

Q3. Could my city's municipal liquor store sell the edible cannabinoid products?

A3. Liquor stores are limited to selling specific items set by Minnesota Statute, section 340A.412, subd. 14. The Alcohol and Gambling Enforcement Division (AGE) of the Minnesota Department of Public Safety has advised the League of Minnesota Cities that products containing CBD, hemp, or THC are not allowed for sale at an exclusive liquor store. AGE has advised LMC that CBD, hemp, or THC infused beverages are not intended to be mixed with alcoholic beverages and are not considered soft drinks. In addition, AGE has informed LMC that a liquor store's ability to sell food pursuant to Minnesota Statute, section 340A.412, subd. 14 (b), does not include edible cannabinoid products. Due to this guidance, LMC recommends cities refrain from selling such products at their municipal liquor stores.

Q4. What regulations are in place for packaging for edible cannabinoids?

A4. Along with testing and labeling requirements, an edible cannabinoid must meet several requirements, including that it:

- Not bear the likeness or contain cartoon-like characteristics.
- Not be modeled after a brand of products primarily consumed or marketed to children.
- Not be made by applying an extracted or concentrated hemp-derived cannabinoid to a commercially available candy or snack food item.
- May not contain an ingredient, other than a hemp-derived cannabinoid, that is not approved by the federal Food and Drug Administration.
- May not be packaged in a way that resembles any commercially available food product.
- Must not be packaged in a container that could reasonably mislead any person to believe that it contains anything other than an edible cannabinoid product.

Q5. Are these products legal under federal regulations?

A5. The 2018 Farm Bill made several changes to federal law related to hemp. Under the law, hemp was removed from the controlled substance act, including derivates, extracts, and cannabinoids, provided those substances contained less than 0.3% THC concentration. If a product contains more than 0.3% THC it is considered marijuana and not hemp. Pursuant to the Farm Bill, Minnesota has legalized the production of hemp through its industrial hemp program.

Although hemp extracts that meet the mandated THC level are no longer controlled substances, the Farm Bill did not alter the authority of other federal agencies, including the Food and Drug Administration (FDA) from regulating hemp and hemp byproducts. Under current FDA regulations, CBD or THC products cannot be sold as a dietary supplement and cannot be added to food for humans or animals.

Q6. Where do the edible cannabinoid products come from?

A6. Under current law, these products can be manufactured in Minnesota but also imported from other states. Growing hemp in Minnesota is governed by the Department of Agriculture, though the MDA Hemp Program does not regulate cannabis extracts, development and manufacturing of cannabis extracts, or the retail and marketing of cannabinoid products. Cities may want to consider zoning implications for manufacturing and production of cannabinoid products.

Q7. How are the new products taxed?

A7. It is the understanding of LMC that edible cannabinoid products legalized under the new law are subject to Minnesota sales tax. LMC is waiting for more guidance from the Minnesota Department of Revenue to determine if any exemptions apply. The new law does not authorize cities to tax the products in their communities, however LMC is waiting on more information as to whether the products would be subject to a local food and beverage tax.

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Enforcement and public safety

Q8. How is the new law enforced?

A8. The Minnesota Board of Pharmacy has regulatory authority over drug products that are implicitly or explicitly intended for human or animal consumption. This includes products regulated in the new law. If a product does not meet all the requirements of the new law, the product may be considered misbranded or adulterated. The sale of a misbranded or adulterated product is a misdemeanor-level crime which is to be prosecuted by the county attorney where the offense took place. Questions regarding whether a specific product deviates from the requirements of the new law should be forwarded to the Minnesota Board of Pharmacy. The Board of Pharmacy has provided a form to file complaints against licensed or unlicensed cannabis businesses.

In addition, the new law limits the sale of CBD and THC products to persons over the age of 21. The sale of CBD and THC products to a person under the age of 21 is a misdemeanor-level

crime which is to be prosecuted by the county attorney where the offense took place. Cities will need to work with local law enforcement and the county attorney to determine how to enforce this requirement.

If cities desire to further regulate CBD and THC products within their jurisdiction, they will need to work with their city attorney to adopt local regulations.

The League is working with the Minnesota Chiefs of Police Association and Minnesota Sheriff's Association to understand potential implications for law enforcement and identify additional questions pertaining to the enforcement of these new products along with employment related questions for law enforcement.

Q9. What are penalties for someone who violates?

A9. A violation of the new law is a misdemeanor. In most cases, the county attorney is charged with prosecuting these violations.

Q10. How do our officers determine if a driver is under the influence of these new products?

A10. The new law does not change the current rules relating to driving under the influence of a cannabinoid. Officers should use the same process to determine sobriety as they have used if they suspected a driver was under the influence of marijuana.

Q11. Could cities prohibit the sale of edible cannabinoids entirely?

A11. In most states that have adopted adult use cannabis legislation, local governments are given the option to either opt-in or opt-out of cannabis in their communities. This framework helps to maintain local control of the cannabis issue. The new Minnesota law does not provide such an option. Therefore, the new law makes the new cannabinoid products legal in every city throughout the state.

Without a clear opt-out option, the question as to whether a city could completely prohibit the sale of edible cannabinoids is an open question. One potential approach would be to follow the Minnesota House Research's suggestion to LMC that it may be possible for a city to classify cannabis edibles containing THC as an intoxicating cannabinoid and therefore would not be allowed under the new law.

Arguments have also been made that a city may be able to prohibit the sale of edible cannabinoids products under its authority to provide for the health safety and welfare of its community. If a city were to attempt to prohibit edible cannabinoids under this authority, it would need to work with its city attorney to develop findings that clearly show the dangers of edible cannabinoids products and the need to prohibit the products. Cities may want to look at communities that have banned the sale of flavored tobacco products as a model for such prohibitions.

Q12. Is our city required to adopt regulations under the new law?

A12. The new law does not require cities to take action in regulating the new products. If a city chooses not to adopt additional regulations, the sale and production of these new products will

be governed by the city's existing zoning and other regulations. In addition, the new law gives local law enforcement power to enforce violations as a misdemeanor.

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City licensing

Q13. What authority do cities have regarding licensing the sale of edible cannabinoids?

A13. A city's authority to license comes from either a specific grant of authority from the Legislature or from its authority to provide for its general health, safety, and welfare. When a city official proposes local licensing of any activity or occupation, a city first must determine whether the state already licenses that activity and, if so, whether the law forbids or allows a local license.

Q14. What types of restrictions should we consider in regulating cannabinoids?

A14. If a city decides to regulate edible cannabinoids or other cannabinoid products, the types of regulations can vary from city to city. Some items a city may consider when drafting these regulations include:

- What areas of the city edible cannabinoids may be sold or manufactured or distributed.
- What business should be allowed to sell edible cannabinoids.
- Age of person selling the product.
- Location of products within retail establishment.
- Pop-up sales.
- Transient merchants.
- Vending machines.
- Distance from other uses (schools, parks, residential, etc.).
- Distance between retailers.
- Delivery services.
- Online sales.
- Limit number of establishments within the city.
- Age verification.
- Hours.
- Background checks.

Q15. Can a city add edible cannabinoid products to its existing tobacco licensing program?

A15. The requirements and legal authority for tobacco products are unique to those products. While some aspects of tobacco regulations may be used when regulating edible cannabinoid

products, the products and the authority to regulate them are quite different. If a city chooses to license edible cannabinoid sellers, it would be best to do so separately from tobacco regulations or be sure to carefully draft new language in an existing ordinance that follows the unique requirements of the new law.

Q16. If our city licenses edible cannabinoid products, how much can we charge as a license fee?

A16. When setting fees, cities should consider a number of things. First, cities should not view municipal licensing as a significant source of revenue. License fees must approximate the direct and indirect costs associated with issuing the license and policing the licensed activities. License fees that significantly exceed these costs are considered unauthorized taxes.

This means a license fee may not be so high as to be prohibitive or produce any substantial revenue beyond the actual cost to issue the license and to supervise, inspect, and regulate the licensed business.

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Zoning

Q17.What authority do cities have regarding zoning for where the products could be sold?

A17. Nothing in the new law limits a city's zoning authority related to CBD and THC products. No Minnesota court has interpreted the limits on zoning authority in this context, but at least one court in another state has ruled that a state law related to cannabis did "not nullify a municipality's inherent authority to regulate land use under [state] law so long as the municipality does not prohibit or penalize all medical marijuana cultivation … and so long as the municipality does not impose regulations that are unreasonable and inconsistent with regulations established by state law." *DeRuiter v. Township of Byron*, 505 Mich. 130, 949 N.W.2d 91 (2020). It is unknown if a Minnesota court would come to the same conclusion.

Cities should be thoughtful and intentional about how zoning regulations related to cannabinoid products affect their communities and work with their city attorney to determine what, if any, zoning restrictions should be adopted. Cities will need to consider not only zoning regulations related to retail sales of CBD and THC products but also the manufacturing and production of the products within the city. Unless specifically differentiated in a zoning ordinance, a city's general manufacturing and production zoning provisions will likely apply to CBD and THC production as well.

Q18. Could cities adopt a moratorium prohibiting the sale, manufacturing or, distribution of cannabinoids so it can study the issue?

A18. A moratorium is a tool cities use to pause specific uses in order that the city may study the issue in anticipation of future regulations. A moratorium is limited to a period of one year. To adopt a moratorium, a city must follow the procedures in Minnesota Statute, section 462.355, subd. 4. The statute specifies the specific instances where a city may adopt a moratorium. If a city were to adopt a moratorium prohibiting the sale or manufacturing of edible cannabinoid

products, it should work with its city attorney to clearly state the legal justification for the moratorium.

If a city does adopt a moratorium, it must actually review and study the issue or meet one of the other requirements of the statute. More information on moratoriums can be found in the LMC Zoning Guide for Cities.

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City employment and personnel issues

Q19. Does the new Minnesota legal cannabinoid law change anything about how we do drug testing for CDL holders?

A19. No, cities with positions requiring an employee to hold a commercial driver's license (CDL) will recall these positions are regulated by federal law, and those regulations are supervised by the Federal Department of Transportation (DOT). Federal law preempts state law related to cannabinoid use; in fact the DOT states in its DOT Recreational Marijuana Notice it does not authorize the use of Schedule I drugs, including marijuana, for any reason. As a result, cities should continue to follow their drug-testing procedures related to CDL holders and may enforce prohibitions against any use of cannabinoids for CDL holders, regardless of state law protections.

Although there is a legal difference between marijuana and hemp, DOT warns CDL drivers the hemp products could lead to a positive marijuana test; therefore CDL holders are ultimately responsible if those products lead to a positive marijuana test.

Cities can find more information on the effects of the new law on drug testing in the LMC Drug and Alcohol Testing Toolkit, starting on page 22.

Q20. Does the new law change anything related to employees who carry a firearm?

A20. No. Public safety employees who carry a firearm cannot lawfully use marijuana under federal law. Federal law prohibits cities from providing firearms or ammunition to an employee it knows or has reason to think is using marijuana. Although there is a legal difference between marijuana products and hemp products, it is the understanding of LMC that it may not be possible to differentiate the products in a drug test. Officers should be mindful of any substance they ingest because they are ultimately responsible if those products lead to a positive marijuana test.

Q21. Are there now "acceptable" limits of cannabinoids for non-CDL employees for purposes of drug testing at work (i.e., those we test under state drug and alcohol testing law)?

A21. There isn't a clear answer, since THC can remain in the body for several weeks after usage (and long after any intoxicating or impairing effects have since disappeared), so positive test results may not indicate any wrongdoing on the employee's part and may just be evidence of an employee's lawful actions done outside of work. The League of Minnesota Cities recommends

that employers thoroughly document any suspicions of an employee being under the influence and to work closely with their city attorney(s) before taking any action against the employee. With this new area of law, a city may want to avoid relying on the results of traditional tests that detect metabolites remaining in a person's body (for many days or weeks after using marijuana) and instead focus on implementing reasonable-suspicion drug-testing protocols to detect marijuana intoxication based on behavioral observations. Keep in mind, employers may prohibit all employees from being under the influence while the employee is working. That would include employees who operate vehicles. Employers may want to revise their policies to clarify that employees still may not be under the influence of cannabis, legal or otherwise, while at work.

The National Drug-Free Workplace Alliance offers a toolkit to help employers work through the complex and confusing issue of marijuana and the workplace.

Q22. Can we still prohibit employees from being under the influence of cannabinoids while at work? Does the League have a model policy with updated language?

A22. Yes, employers can continue to prohibit employees from being under the influence of cannabinoid products, including edibles, while at work. Although employers' obligations and restrictions related to marijuana use vary widely across the states, there is no law we are aware of that requires employers to allow cannabinoid use during work hours or to allow an employee to report to work impaired. Thus, employers may continue to maintain drug-free policies at the workplace and discipline employees who use cannabinoids during working hours or who report to work impaired. In fact, one could argue that under the Occupational Safety and Health Administration's (OSHA) General Duty Clause of the Occupational Safety and Health Act, employers are required to furnish a workplace free from recognized hazards that are likely to cause serious physical harm. This provision of the Act is typically used in accident cases where toxicology screens are positive.

OSHA's new electronic recordkeeping rule, clarified on 10/11/2018, states "If the employer chooses to use drug testing to investigate the incident, the employer should test all employees whose conduct could have contributed to the incident, not just employees who reported injuries," with respect to using drug testing to evaluate the root cause of a workplace incident that harmed or could have harmed employees. Thus, if a city has a non-DOT drug-testing policy in place, a protocol following this guidance is important.

The League has a Non-DOT Drug and Alcohol Testing and Drug-Free Workplace Act model policy that has been updated initially, and will be continually updated as the League learns more.

Q23. Can employees be in possession of edibles or other cannabinoid products while at work?

A23. Cities may enact policies prohibiting employees from bringing cannabinoid products, including edibles, to work.

Q24. Do we need to change anything in our collective bargaining agreement with regard to discipline of employees who use cannabinoid products?

A24. No, but ensure your city's drug-testing policy has been updated and your supervisors are trained on the behavioral signs and symptoms associated with impairment. Of course, if the collective bargaining agreement includes language that policy changes need to be negotiated, then there would need to be a meeting with the union if the city's policy changes.

Q25. Can employees use cannabinoid products off-duty?

A25. It depends. Certain types of employees, such as law enforcement officers and other employees issued firearms and ammunition as part of their jobs, are subject to regulations from the federal Bureau of Alcohol, Tobacco and Firearms, which prohibits firearms and ammunitions to be given to individuals who do or are believed to use illegal drugs. As noted above, city positions required to hold a commercial driver's license are subject to Department of Transportation regulations and are not authorized for the use of Schedule I drugs, including marijuana, for any reason. Thus, these types of employees could be prevented from using cannabinoid products both on and off duty. Other employees who are not subject to that or other federal regulations would likely be able to use cannabinoid products while they are off duty, as there is nothing under Minnesota law which prohibits certain classes of employees from using cannabinoid products off duty, as long as they are not impaired at work.

If there are any questions regarding whether an employee could be prevented from using cannabinoid products while off-duty due to federal regulations, please consult your city attorney before any action is taken.

Q26. How does this impact the requirements of the Drug-Free Workplace Act?

A26. It does not. The Drug-Free Workplace Act of 1988 (DFWA) requires federal grantees and contractors to implement a drug-free workplace policy and establish a drug-free awareness program as a precondition for receiving a federal grant or a contract. However, the DFWA does not require covered employers to test employees for drugs or terminate them for drug-related violations, so the new Minnesota state law does not impact the DFWA directly. Minnesota law allows employers to prohibit employees from bringing legal cannabinoid products to work and permits employers to prohibit employees from being under the influence while at work. It would be best practice for cities with drug-free work policies to keep those in effect. If a city wishes to do so, it can update its policy to include lawful cannabinoid products within its scope.

Q27. Should my city still continue to include marijuana as a pre-employment panel screen for my Non-DOT employees?

A27. That is for each city to decide for itself. Because currently there are no devices or blood tests available that measure marijuana impairment, and because a best practice approach for Non-DOT marijuana drug testing is to base testing on behavioral observations, some employers are excluding marijuana from their pre-employment Non-DOT drug screens. Some states even prohibit an employer from refusing to hire an applicant simply because of a positive drug test,

but Minnesota is currently not one of these states at this time. Any city that chooses to continue to test for THC for Non-DOT positions must be aware of the fact that these substances may remain in an individual's system for weeks after the impairing effect of the drug has worn off. Thus, it will be difficult, if not impossible, to determine whether the positive test indicates usage in violation of the city's drug-free workplace policy or indicates lawful usage during an employee's time-off from work. Cities should consult with their city attorneys prior to taking any action based upon a positive drug test for THC.

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Access online form to submit a question, or call us: (651) 281-1200 or (800) 925-1122

City of Grand Meadow
State of Minnesota

RESOLUTION NO. 2021-017

RESOLUTION ACCEPTING 2022 DONATIONS TOWARDS GRAND MEADOW CITY PARKS

WHEREAS, Minnesota State Statute 465.03 states that cities may accept gifts of real or personal property, including money, and use them in accordance with the terms the donor prescribes; and

WHEREAS, such acceptance shall be by resolution of the governing body adopted by two-thirds majority of its members; and

WHERAS, the City of Grand Meadow has received and deposited 2022 cash donations amounting to $553.00 into the City Parks Fund to be used as needed.

NOW, THEREFORE, pursuant to Minnesota State Statute 465.03 the City Council of the City of Grand Meadow, does hereby accept the thoughtful donations.

ADPOTED by the Grand Meadow City Council this 8th day of August 2022.

_____

Sandra Fenton Mayor

ATTESTED:

_____

Chris Hyrkas City Clerk